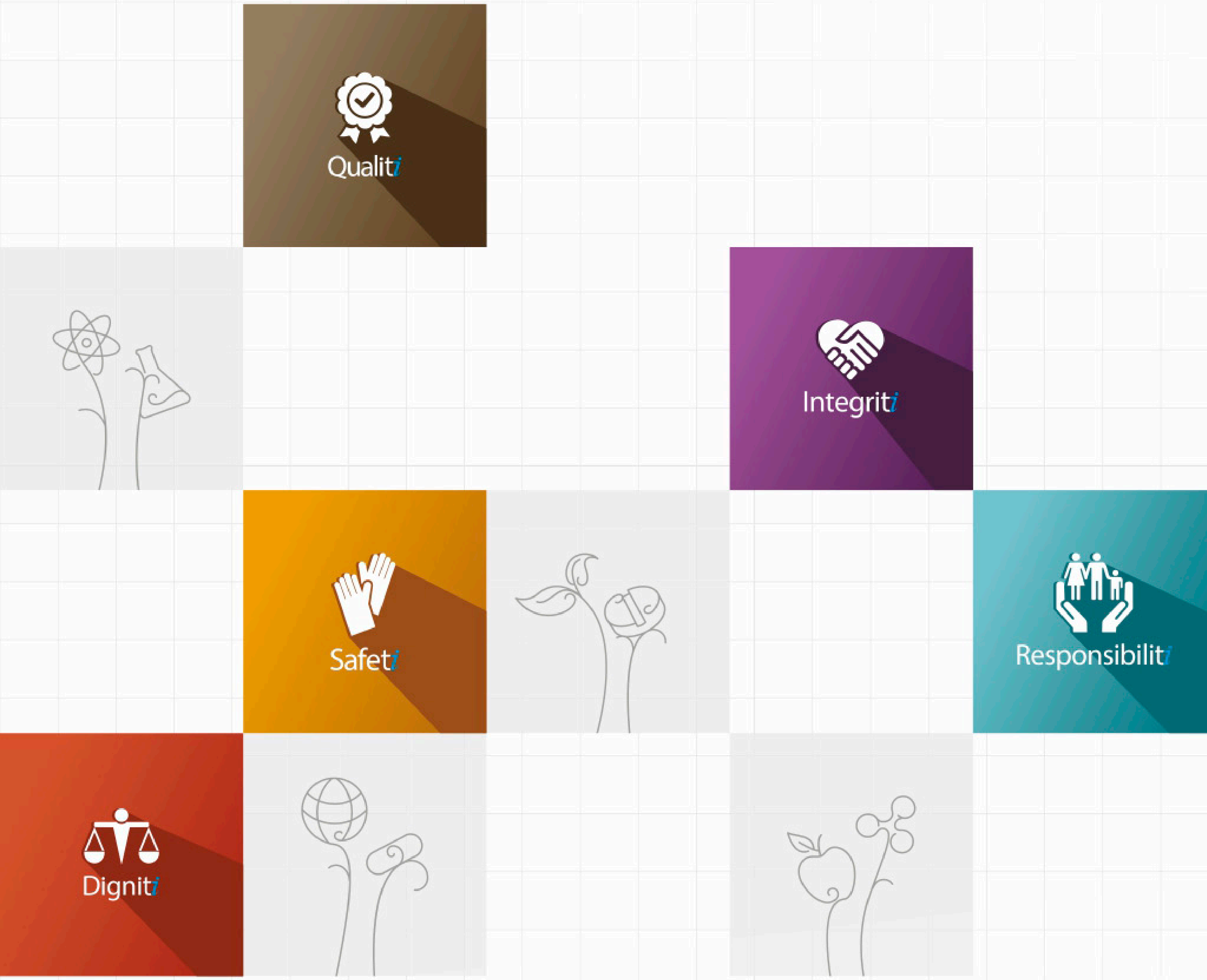


Ipca Laboratories Ltd.

Annual Report 2021-22

Ten Years' Highlights

(₹ Crores)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total Income	2797.08	3256.25	3120.40	2870.73	3178.87	3258.75	3687.74	4432.12	5201.40	5455.49
Domestic Income	1081.00	1190.23	1367.54	1440.88	1617.13	1694.54	1956.90	2288.37	2484.21	2952.80
Export Income	1716.08	2066.02	1752.86	1429.85	1561.74	1564.21	1730.84	2143.75	2717.19	2502.69
Earning before Interest, Depreciation & Tax #	639.95	826.66	556.27	341.81	435.20	478.82	765.26	993.41	1534.47	1268.20
Profit before Tax	461.37	629.09	357.73	111.45	258.20	282.80	557.39	784.97	1379.96	1088.36
Net Profit after Tax	331.39	477.37	256.1 1	92.52	188.29	233.11	454.91	652.46	1140.77	870.94
Share Capital	25.24	25.24	25.24	25.24	25.24	25.24	25.27	25.27	25.37	25.37
Reserves & Surplus	1544.61	1956.37	2196.57	2257.81	2449.88	2669.71	3111.39	3640.33	4727.35	5497.97
Net Worth	1569.85	1981.61	2221.81	2283.05	2475.12	2694.95	3136.66	3665.60	4752.72	5523.34
Net Block	1204.50	1471.01	2019.91	2105.51	2040.84	1927.84	1806.06	1925.16	2050.60	2373.82
Dividend (%)	200%	250%	50%	-	50%	50%	150%	250%	400%	400%
Earnings per share (₹)	26.27	37.83	20.29	7.33	14.92	18.47	36.01	51.64	90.08	@34.33
Book Value per share (₹)	124.39	157.02	176.05	180.91	196.12	213.55	248.25	290.11	374.67	@217.71

Before Foreign Exchange Gain /Loss

@ Post sub-division of each equity Share of ₹ 2/- into 2 equity Shares of ₹ 1 /- each

Contents

MANAGEMENT

Board of Directors	
Premchand Godha (DIN 00012691)	Chairman & Managing Director
Ajit Kumar Jain (DIN 00012657)	Joint Managing Director
Pranay Godha (DIN 00016525)	Executive Director
Prashant Godha (DIN 00012759)	Executive Director
Anand T. Kusre (DIN 00818477)	Independent Director
Dev Parkash Yadava (DIN 00778976)	Independent Director
Dr. (Mrs.) Manisha Premnath (DIN 05280048)	Independent Director
Kamal Kishore Seth (DIN 00194986)	Independent Director
Corporate Management team	
Premchand Godha	Chairman & Managing Director / CEO
Ajit Kumar Jain	Joint Managing Director / CFO
Pranay Godha	Executive Director
Prashant Godha	Executive Director
Dr. Ashok Kumar	President - R&D (Chemicals)
Dr. Anil Pareek	President - Medical Affairs & Clinical Research
Sunil Ghai	President - Marketing
Harish P. Kamath	Corporate Counsel & Company Secretary
E. J. Babu	President - Global Business
Pabitra Kumar Bhattacharya	President - Operations (API)
Dr. Sanjay Kapadia	President - Corporate Quality Assurance
Dr. Goutam Muhuri	President - R&D (Formulations)
Kavita Sehwani	President - Generics
Dr. Avadhut Sukhtankar	President - Supply Chain
Shashil Mendonsa	President - International Marketing
Shailesh Laul	President - Operations (Formulations)
Company Secretary	
Harish P. Kamath (ACS 6792)	
Auditors	
G. M. Kapadia & Co., Chartered Accountants (Firm Regn. No. 104767W)	
Cost Auditors	
ABK & Associates, Cost Accountants (Firm Regn. No. 000036)	
Secretarial Auditors	
Parikh & Associates, Company Secretaries	

CONTACTS

Registered Office
48, Kandivli Industrial Estate
Kandivli (West)
Mumbai 400 067
India
T: +91 22 6647 4444
F: +91 22 6210 5005

Research & Development Centre
48, 123 AB, 125 & 126 (Amalgamated)
Kandivli Industrial Estate
Kandivli (West)
Mumbai 400 067
India
T: +91 22 6210 5000
F: +91 22 6210 5439

Registrars & Share Transfer Agents
Link Intime India Pvt. Ltd.
C-101, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
T: +91 22 4918 6000
F: +91 22 4918 6060

Bankers
Barclays Bank PLC
Citibank N.A.
DBS Bank India Ltd.
HDFC Bank Ltd.
HSBC Ltd.
ICICI Bank Ltd.
J. P. Morgan Chase Bank
Kotak Mahindra Bank
United Overseas Bank Ltd.
Yes Bank Ltd.

Works

Madhya Pradesh
P.O. Sejavta 457 001, Ratlam
T: +91 7412 278000 | F: +91 7412 279083

89 A-B / 90 / 91, Industrial Estate, Pologround
Indore 452 003
T: +91 731 2421172 | F: +91 731 2422082

1, Pharma Zone
SEZ Indore, Pithampur 454 775
T: +91 7292 667777 | F: +91 7292 667020

470, 471 & 481 Sector III, Industrial Area,
Pithampur 454 775
T: +91 07292 256167

Plots 16-22
Industrial Area No. 1, AB Road
Dewas- 455 001
Tel.:+91 97555 36843

Gujarat
Plot No. 69 to 72-B, Sector II, KASEZ
Gandhidham 370 230
T: +91 2836 252385 | F: +91 2836 252313

4722, GIDC Industrial Estate
Ankleshwar 393 002
T: +91 2646 220594 | F: +91 2646 250435

23-24, GIDC Industrial Estate
Nandesari 391 340
T: +91 265 2840795 | F: +91 265 2840868

Village Ranu (Taluka Padra) 391 445
T: +91 2662 227300

Union Territory of Dadra & Nagar Haveli and Daman & Diu
Plot No. 255/1, Village Athal
Silvassa 396 230
T: +91 260 2640301 | F: +91 260 2640303

Plot No. 65, 99 & 126, Danudyog Indl. Estate
Silvassa 396 230
T: +91 260 2640850 | F: +91 260 2640646

Maharashtra
H-4, G4 to G7, MIDC, Waluj Indl. Area (Unit I and II)
Aurangabad 431 136
T: +91 240 6611501 | F: +91 240 2564113

C 89 to C 95, MIDC Industrial Area
Mahad 402 309
T: +91 2145 232058 | F: +91 2145 232055

T-139, MIDC, Tarapur, Palghar 401 506
T: +91 02525 205273

Uttarakhand
C-6, Sara Indl. Estate, Chakrata Road
Rampur, Dehradun 248 197
T: +91 135 2699195 | F: +91 135 2699171

Sikkim
393 / 394, Melli-Jorethang Road (Unit I and II)
Gom Block, Bharikhola, South District 737 121

NOTICE

NOTICE is hereby given that the 72nd ANNUAL GENERAL MEETING (AGM) of Ipca Laboratories Limited (CIN L24239MH1949PLC007837) will be held on Wednesday, 10th August, 2022 at 3.30 p.m. through Video Conferencing / Other Audio Visual Means (VC/OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a) the Audited Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon; and
   b) the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the Report of the Auditors thereon.

2. To confirm payment of interim dividend of Rs. 8/- per equity share as final dividend for the financial year ended 31st March, 2022.

3. To appoint a Director in place of Mr. Ajit Kumar Jain (DIN 00012657) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Pranay Godha (DIN 00016525) who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 77th Annual General Meeting to be held in 2027, at such remuneration and reimbursement of out of pocket expenses as may be recommended by the Audit Committee and determined by the Board of Directors of the Company."

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 (3) and such other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records for the financial year 2022-23 be paid remuneration of ₹ 7,00,000/- (Rupees Seven Lacs Only) plus service tax and reimbursement of traveling and other out of pocket expenses."

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item Nos. 5 and 6 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on 24th May, 2022 considered that the special business under Item No. 6 being considered unavoidable, be transacted at the 72nd AGM of the Company.

2. General instructions for accessing and participating in the 72nd AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting

   a. In view of the continuing of the COVID-19 pandemic, social distancing norms to be followed and the restriction imposed on movement / gathering of persons at several places in the country and pursuant to General Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 72nd AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 72nd AGM shall be the office of the Company situated at Plot No. 125, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067.

   b. In terms of the circulars issued by MCA and SEBI, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by

Members under Section 105 of the Act will not be available for the 72nd AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting and for participation in the 72nd AGM through VC/OAVM Facility and e-Voting.

c. The Members can join the AGM in the VC/OAVM mode between 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction of first come first served basis.

d. Since the AGM will be held through VC/OAVM Facility, the Route Map of the AGM venue, proxy form and attendance slip is not annexed in this Notice.

e. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs from time to time, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.

f. In line with the circulars issued by MCA and SEBI, the Notice of the 72nd AGM will be available on the website of the Company at www.ipca.com and on the websites of BSE Limited at www.bseindia.com and The National Stock Exchange of India Limited (NSE) at www.nseindia.com and also on the website of NSDL at www.evoting.nsdl.com.

g. Attendance of the Members participating in the 72nd AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

h. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are deemed to be interested, maintained under Section 189 of the Act, will be available electronically for inspection on the website of the Company by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@ipca.com.

i. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.

j. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with circulars issued by MCA and SEBI in this regard, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 72nd AGM and facility for those Members participating in the 72nd AGM to cast vote through e-Voting system during the 72nd AGM.

k. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with circulars issued by MCA and SEBI from time to time.

3. The Instructions for Members for Remote E-Voting and joining General Meeting are as under:-

a. The remote e-voting period begins on Sunday, 7th August, 2022 at 9.00 a.m. and ends on Tuesday, 9th August, 2022 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 4th August, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 4th August, 2022.

b. Any person who is not a Member as on the cut off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

c. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

i. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once you login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website (s).

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

iii. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

iv. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

v. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

vi. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?

  a. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

b. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

vii. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@ nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

viii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

ix. Now, you will have to click on "Login" button.

x. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM

A) How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

i. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

ii. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

iii. Now you are ready for e-Voting as the Voting page opens.

iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

v. Upon confirmation, the message "Vote cast successfully" will be displayed.

vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

4. General Guidelines for shareholders

a. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@ipca.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms Pallavi Dabke, Sr. Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 at evoting@nsdl.co.in.

5. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

a. In case shares are held in physical mode please provide Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@ipca.com.

b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@ipca.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for individual shareholder holding securities in demat mode.

c. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

d. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

6. The instructions for members for e-voting on the day of the AGM are as under

   a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

   b. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

   c. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

   d. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

7. Instructions for Members for attending the AGM through VC/OAVM are as under:

   a. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

   b. Members are encouraged to join the Meeting through Laptops for better experience.

   c. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

   d. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

   e. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@ipca.com. The same will be replied by the Company suitably.

8. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of 4th August, 2022.

9. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 72nd AGM by email and holds shares as on the cut-off date i.e. 4th August, 2022, may obtain the User ID and password by sending a request to the Company's email address investors@ipca.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

10. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the AGM.

11. Mr. P. N. Parikh (Membership No. FCS327 CP1228) or failing him Ms. Jigyasa N. Ved (Membership No. FCS6488 CP6018) or failing them Mr. Mitesh Dhabliwala (Membership No. FCS8331 CP9511) of M/s. Parikh & Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-Voting process (including e-Voting at the meeting) in a fair and transparent manner.

12. During the 72nd AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 72nd AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 72nd AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 72nd AGM.

13. The Scrutinizer shall after the conclusion of e-Voting at the 72nd AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 72nd AGM, who shall then countersign and declare the result of the voting forthwith.

14. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.ipca.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

15. Pursuant to the circulars issued by MCA and SEBI from time to time, in view of the prevailing pandemic situation and owing to the difficulties involved in dispatching of physical copies of the Notice of the 72nd AGM and the Annual Report for the financial year 2021-22 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2022, the Auditors Report and the Directors Report, the same are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s and who wish to receive the Notice of the 72nd AGM and the Annual Report for the year 2021-22 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

    a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, name, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address investors@ipca.com

    b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

16. The Notice of the 72nd AGM and the Annual Report for the financial year 2021-22 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2022, will be available on the website of the Company at www.ipca.com and the website of BSE Limited at www.bseindia.com and The National Stock Exchange of India Ltd. at www.nseindia.com. The Notice of 72nd AGM will also be available on the website of NSDL at www.evoting.nsdl.com.

17. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 5th August, 2022 to Wednesday, 10th August, 2022 (both days inclusive) for the purpose of the Annual General Meeting.

18. Members are requested to:

    (a) intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address at an early date;

    (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;

    (c) encash the dividend warrants on their receipt as dividend amounts remaining unclaimed for seven years are required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the provisions of the Companies Act, 2013. Pursuant to Section 124(5) of the Companies Act, 2013, all unclaimed dividend declared and paid upto final dividend for the financial year 2013-14 have been transferred by the Company to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.

(d) Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF). The shareholders who wish to claim the said shares from the IEPF may claim the same by filing e-form No. IEPF-5 as prescribed under the said Rules available on iepf.gov.in along with requisite fee as decided by the Authority from time to time. The Member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.

(e) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. (Link Intime) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Pvt. Ltd.

19. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of the listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition or for re-lodged transfer requests. Further, SEBI vide its circular dated 2nd December, 2020 has fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares re-lodged for transfer shall be issued only in demat mode. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer.

20. The information required to be provided regarding the directors seeking re-appointment is furnished in the Report on Corporate Governance, which is annexed.

Registered Office:
48, Kandivli Industrial Estate,
Kandivli (West), Mumbai 400 067.
Tel : 022 – 6210 6050
E-mail: investors@ipca.com
Website: www.ipca.com
CIN: L24239MH1949PLC007837
Mumbai
24th May, 2022

By Order of the Board
For **Ipca Laboratories Ltd.**

Harish P. Kamath
Corporate Counsel & Company Secretary
ACS 6792

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

Item No. 5

The term of appointment of M/s. G. M. Kapadia & Co., Chartered Accountants (Firm Registration No. 104767W) as Statutory Auditors of the Company is coming to an end after the conclusion of the forthcoming 72nd Annual General Meeting (AGM) of the Company.

In their place, it is now proposed by the Board of Directors on the recommendation of the Audit Committee to appoint M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the 72nd AGM of the Company and till the conclusion of the Company's 77th AGM, at such remuneration and reimbursement of out of pocket expenses as may be recommended by the Audit Committee and determined by the Board of Directors of the Company. There shall be no material change in the fee payable to the new statutory auditors from that being paid to the outgoing statutory auditors.

M/s. Natvarlal Vepari & Co. is a firm of Chartered Accountants which was formed in the year 1959. The firm currently has seven partners and has been engaged, inter-alia, in the statutory audits of different industries for nearly six decades.

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

The Board of Directors accordingly recommend the resolution set out at Item No. 5 of the accompanying Notice for the approval of the members.

Item No. 6

The Board of Directors on the recommendation of the Audit Committee have appointed M/s ABK & Associates, Cost Accountants (Firm Registration No. 000036) as the Cost Auditors of the Company for the financial year 2022-23. A certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection electronically by the members without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect this certificate can send an email to investors@ipca.com.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. The Board has decided the remuneration payable to M/s. ABK & Associates as Cost Auditors as mentioned in the resolution on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

The Board of Directors accordingly recommend the resolution set out at Item No. 6 of the accompanying Notice for the approval of the members.

Registered Office:
48, Kandivli Industrial Estate,
Kandivli (West), Mumbai 400 067.
Tel : 022 – 6210 6050
E-mail: investors@ipca.com
Website: www.ipca.com
CIN: L24239MH1949PLC007837
Mumbai
24th May, 2022

By Order of the Board
For **Ipca Laboratories Ltd.**

Harish P. Kamath
Corporate Counsel & Company Secretary
ACS 6792

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 72nd Annual Report and Audited Financial Statements for the financial year ended 31st March, 2022.

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS

	(₹ crores)		(₹ crores)	
	STANDALONE		CONSOLIDATED	
	Year ended 31.3.2022	Year ended 31.3.2021	Year ended 31.3.2022	Year ended 31.3.2021
Sales and other Income	5455.49	5201.40	5896.36	5482.83
Profit before finance cost and depreciation	1299.67	1575.82	1375.83	1607.19
Less : Finance cost	7.21	8.14	7.69	9.04
Depreciation and Amortisation	204.10	187.72	232.42	209.17
Profit before tax	1088.36	1379.96	1135. 72	1388.98
Less : Provision for taxation				
Current Tax	197.20	244.98	207.01	248.65
Short / (Excess) provision of taxes for earlier years	0.08	-	0.50	(0.01)
Deferred Tax Liability / (Asset)	20.14	(5.79)	17.26	(8.50)
Net Profit	870.94	1140.77	910.95	1148.84

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the general reserve out of the amount available for appropriation.

FINANCIAL STATEMENTS

The standalone and consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

In accordance with Indian Accounting Standard (Ind AS-110), the audited consolidated financial statements are also provided in the Annual Report.

CREDIT RATING

During the year under report, CARE Ratings has revised the outlook for the ratings of the Company's long term / short term bank facilities Fund Based / Non Fund Based of ₹ 1140 crores to CARE AA; Positive / Care A1+ (Double A; Outlook:Positive / A One Plus).

CRISIL has re-affirmed 'CRISIL A1+' rating on the ₹ 200 crores (enhanced from 50 crores) commercial paper programme of the Company.

COVID –19 PANDEMIC

The Covid-19 pandemic and its aftermath has caused / continue to cause an un-precedented disruption in economic activities globally. India too suffered waves of Covid-19 pandemic during the financial year under report. However, there were no major lockdowns and other containment measures as was seen during the initial period of the outbreak of Covid-19 pandemic .

Covid-19 pandemic is a healthcare crisis that has shaken global economy and has forced countries across the globe to invest more and more in healthcare infrastructure. The Covid-19 pandemic, which is still continuing, is expected to change the way we operate. The consumer behavior and consumption pattern will also undergo changes.

Overall, till now there was no major impact on Company's financial performance due to Covid-19 pandemic. However, we may face more Covid-19 pandemic related uncertainties and challenges going forward. Your Company is confident that the inherent business model of the Company, which to a great extent is resilient to such market disturbances will navigate any such challenges which may be ahead of us.

MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Development

The pharmaceutical industry is responsible for the research, development, manufacturing and distribution of medications. The industry has experienced a significant growth over the past two decades and the global pharmaceutical market is now estimated to be about US$ 1.40 trillion and is growing at a CAGR of about 4%. Pharmaceutical industry is one of the top performing industries globally.

The new medications are being constantly developed, approved and marketed resulting in significant market growth. The other market growth drivers for the industry include the ageing population as seniors use more medicines per capita and rise in the prevalence and treatment of chronic diseases due to lifestyle changes. Oncology, immunology and neurology are the fastest growing therapy segments. The biologics market is also growing at a significant rate in the therapy areas such as oncology, diabetes and auto-immune diseases.

Though the pharmaceuticals industry is developing at a rapid pace, the growth won't come easily for this industry that is heavily influenced by the healthcare reforms, cost pressure, economic and geo-political fluidity, pricing regime, increased competition and challenging regulatory landscape with increased scrutiny.

b. Outlook, Risks and Concerns

The Indian pharmaceutical industry is globally respected and India is the third largest industry player globally in volume terms. The country is the largest supplier of low cost quality generics drugs and vaccines to the world. Indian pharmaceutical companies have also carved out a niche in both the Indian and world market with expertise in reverse engineering new processes for manufacturing of pharmaceuticals at low cost, which became the advantage for this industry.

The contribution of the pharmaceutical industry to the country's economy is immense. Apart from large employment generation, either directly or indirectly, this industry also contributes significantly to the country's GDP. As per Indian Brand Equity Foundation (IBEF), a trust established by the Ministry of Commerce and Industry, Government of India, the Indian pharmaceutical industry is likely to reach a size of USD 130 billions in 2030, growing at a CAGR of about 12% from US$ 50 billions in 2021. The Indian pharmaceutical industry growth will be driven by R&D capabilities, cost efficiencies, huge talent pool of scientists and new opportunities in the emerging global economies.

The Indian pharmaceutical industry is expected to out-perform the global pharmaceutical industry and emerge as one of the leading pharmaceutical market globally by absolute value. It is for this reason, India is truly hailed as the pharmacy of the world, providing essential low cost medicines to countries across the globe.

However, poor public healthcare funding and infrastructure, low per capita consumption of medicines in emerging economies including India, currency fluctuations, geo-political conflicts, regulatory issues, government mandated price control, inflation and resultant all round increase in input costs are a few causes of concern.

During the year under report, there was no change in the nature of Company's business.

c. Financial Performance and Operations Review

During the financial year under report, the Company registered on a standalone basis a total income of ₹ 5455.49 crores as against ₹ 5201.40 crores in the previous year, a growth of 4.89%. On a consolidated basis, the total income of the Company has increased by 7.54% to ₹ 5896.36 crores as against ₹ 5482.83 crores in the previous financial year.

During the financial year under report, the Earnings before interest, depreciation and taxation on a standalone basis amounted to ₹ 1299.67 crores as against ₹ 1575.82 crores in the previous financial year. The operations have resulted in a net profit of ₹ 870.94 crores during the financial year under report as against ₹ 1140.77 crores in the previous financial year, a decline of 23.65%.

On a consolidated basis, the Earnings before interest, depreciation and taxation amounted to ₹ 1375.83 crores as against ₹ 1607.19 crores in the previous financial year. The consolidated operations have resulted in a net profit of ₹ 910.95 crores during the financial year under report as against ₹ 1148.84 crores in the previous financial year, a decline of 20.71%.

Break-up of Sales (standalone)								**(₹ Crores)**
	2021-22				**2020-21**			
	Domestic	**Exports**	**Total**	**Growth**	**Domestic**	**Exports**	**Total**	**Growth**
Formulations	2508.27	1486.74	3995.01	12%	1981.67	1597.19	3578.86	14%
APIs & Intermediates	325.42	1015.95	1341.37	-11%	386.33	1120.00	1506.33	28%
Total Sales	2833.69	2502.69	5336.38	5%	2368.00	2717.19	5085.19	18%
Growth	20%	-8 %	5%		9%	27%	18%	

Key Financial Ratios (standalone)

		31st March, 2022	31st March, 2021
1.	Debtors Turnover Ratio	6.71	6.30
2.	Inventory Turnover Ratio	1.08	1.14
3.	Interest Coverage Ratio	175.89	188.51
4.	Current Ratio	3.13	3.08
5.	Debt Equity Ratio	0.14	0.05
6.	Operating Profit Margin (%)	18.68%	25.01%
7.	Net Profit Margin (%)	16.32%	22.43%
8.	Return on Net Worth (%)	16.95%	27.06%

Due to lower business growth, increase in the material cost, energy cost and logistics cost as well as increase in the other overhead expenses due to inflationary trend in the economy, the operating margins have reduced. This has resulted in lower operating profit margin, net profit margin and return on net worth as compared to previous financial year.

d. International Business

The products of the Company are now exported to over 100 countries across the globe. During the financial year under report, the international business amounted to ₹ 2502.69 crores as against ₹ 2717.19 crores in the previous year, a decline of 8%. Formulation exports of the Company has declined by 7% to ₹ 1486.74 crores and exports of APIs and Drug Intermediates have declined by 9% to ₹ 1015.95 crores.

The decline in the international business is mainly on the account of the reason that in the previous financial year there was an increased sale of APIs and the formulations of Chloroquine Phosphate and Hydroxychloroquine Sulfate, world-over, since these molecules were considered to be useful in the treatment of Covid-19 disease in the initial period of corona virus outbreak.

The Company's formulations manufacturing sites at Silvassa and SEZ Indore and APIs manufacturing site at Ratlam continue to be under US FDA import alert.

The Company has implemented comprehensive remedial measures at all its manufacturing sites to ensure quality and regulatory compliances. These remedial measures included review of all processes and procedures, revamping of training system, recruitment of senior quality personnel as well as automation of quality control laboratories. The Company is committed to its philosophy of highest quality in manufacturing, operations, systems, integrity and cGMP culture. These manufacturing sites are currently awaiting re-inspection by US FDA.

Except US FDA import alert on three of its manufacturing sites, none of the Company's manufacturing sites have any outstanding regulatory or compliance issues with any other regulatory agency.

Continent-wise Exports (₹ Crores)

Continent	2021-22				2020-21			
	Formulations	APIs and Intermediates	Total	% to exports	Formulations	APIs and Intermediates	Total	% to exports
Europe	436.49	232.44	668.93	27%	496.26	260.63	756.89	28%
Africa	409.85	62.00	471.85	19%	476.78	55.81	532.59	20%
Americas	162.80	335.96	498.76	20%	173.94	398.48	572.42	21%
Asia	98.91	356.92	455.83	18%	105.92	369.66	475.58	17%
CIS	134.07	25.72	159.79	6%	163.99	24.95	188.94	7%
Australasia	244.62	2.91	247.53	10%	180.30	10.47	190.77	7%
Total	1486.74	1015.95	2502.69	100%	1597.19	1120.00	2717.19	100%

Formulation Exports – Therapeutic Contribution		
Therapeutic Group	**2021-22**	**2020-21**
Cardiovasculars & Anti-diabetics	25%	23%
Pain Management	21%	28%
Anti-malarials	24%	26%
Anti-bacterials	6%	5%
Anthelmintics	5%	5%
Central Nervous System (CNS) products	7%	5%
Gastro Intestinal (G.I) products	6%	4%
Cough Preparations	2%	2%
Others	4%	2%
TOTAL	**100%**	**100%**

Europe

The Company achieved European export sales of ₹ 668.93 crores during the financial year under report as against sales of ₹ 756.89 crores in the previous year, a decline of 12%.

The Company has developed and submitted 96 generic formulation dossiers for registration in Europe out of which 78 dossiers are registered. The Company has also obtained certificate of suitability (COS) of 55 APIs from European Directorate for Quality Medicines (EDQM).

The Company has started marketing generic formulations in the United Kingdom in its own label.

Africa

The Company achieved export sales of ₹ 471.85 crores to Africa during the financial year under report as against ₹ 532.59 crores in the previous year, a decline of 11%.

The Company exports branded and generic formulations as well as APIs to many African countries. The Company markets branded formulations in Africa through dedicated field force. The Company also supplies generics formulations to South Africa.

The Company is expanding its branded formulations business in this continent through expansion of geographical coverage and increase in the number of branded formulations marketed. Your Company is also is in the process of expanding its field force in this continent. The Company is also continuously filing new formulation dossiers for registration in the African countries.

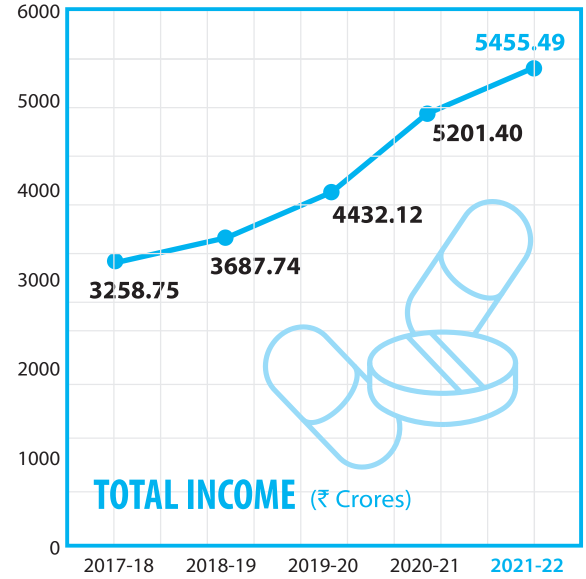
Americas

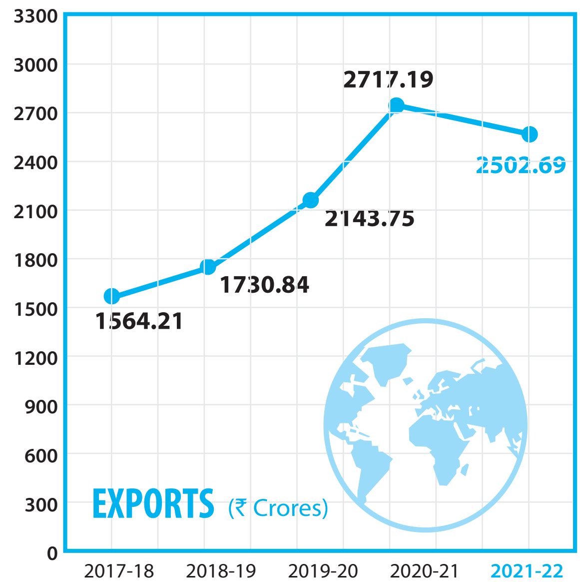
The Company achieved sales of ₹ 498.76 crores in this continent as against ₹ 572.42 crores in the previous year, a decline of 13%. As reported earlier, the US formulations and APIs business continues to be impacted due to ongoing US FDA import alert for three of the Company's manufacturing facilities.

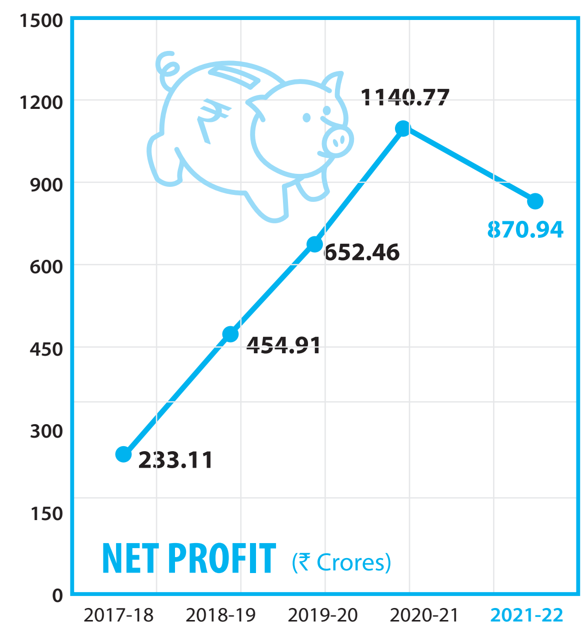
46 ANDA applications of generic formulations developed by the Company are filed with US FDA out of which 18 ANDA applications are granted till date. 52 DMFs of the Company are also currently filed with US FDA.

Asia

The Asian business (excluding India) recorded sales of ₹ 455.83 crores as against ₹ 475.58 crores in the previous year, a decline of 4%. The Company exports formulations as well as APIs to several Asian countries. In countries like Nepal, Sri Lanka, Myanmar, Philippines and Vietnam, the Company markets its branded formulations through dedicated field force.







Confederation of Independent States (CIS)

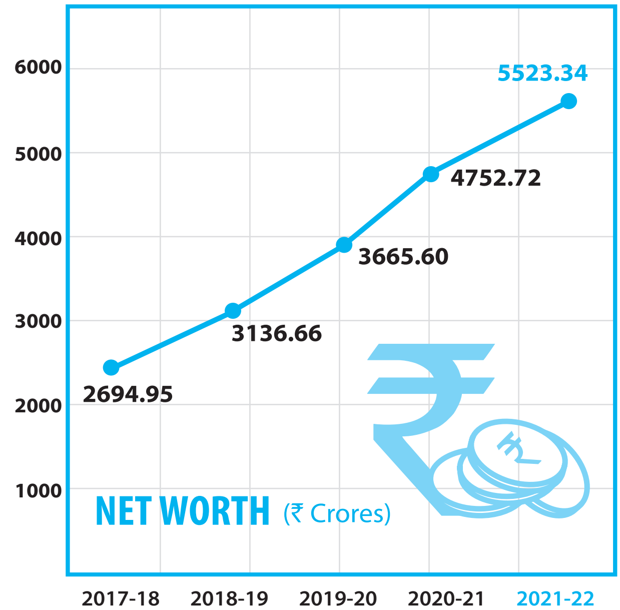
The Company's CIS business recorded sales of ₹ 159.79 crores as against ₹ 188.94 crores in the previous year, a decline of 15%. Most of the business is from branded formulation sales in Russia, Ukraine, Kazakhstan and Belarus. The Company's branded formulations are marketed in this continent by its own field force appointed through its non-trading offices.

The geo-political conflict in this region has resulted in decline of shipments to this geography in the last quarter of the financial year under report.

Australasia

The Company exports APIs to Australia and formulations to Australia and New Zealand in this sub-continent. The business from this continent was ₹ 247.53 crores during the financial year under report as against ₹ 190.77 crores in the previous year, a growth of 30%.

The Company has developed and submitted 74 generic formulation dossiers for registration in this market out of which 73 dossiers are registered.

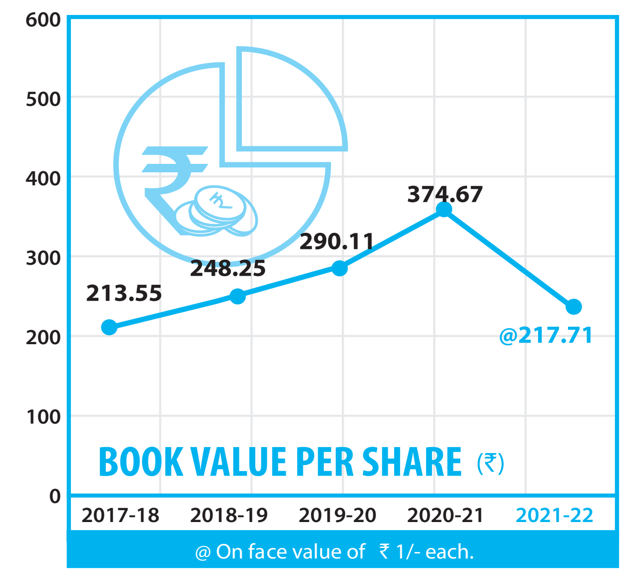


e. Domestic Formulations Business

The Company's branded formulations business in India now comprises of 17 marketing divisions focusing on key therapeutic segments with a portfolio of about 154 brands. Your Company is now the 19th largest in the domestic formulations market as per IQVIA - MAT March, 2022. The Company is in the process of adding 4 more new marketing divisions in the domestic formulations business.

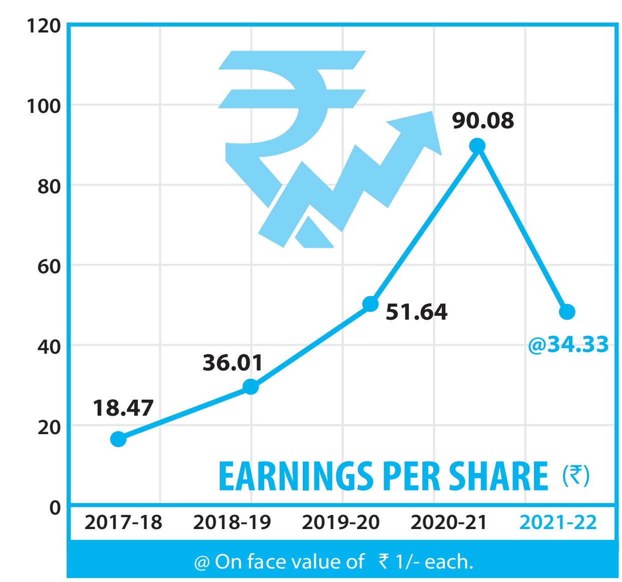
During the financial year under report, the domestic formulations business recorded a growth of 27% at ₹ 2508.27 crores as against ₹ 1981.67 crores in the previous year.

Domestic Branded Formulations - Therapeutic Contribution		
Therapeutic segment	2021-22	2020-21
	% to sales	% to sales
Pain Management	49%	52%
Cardiovasculars & Anti-diabetics	17%	19%
Anti-malarials	5%	4%
Anti-bacterials	7%	6%
Dermatology	5%	5%
Gastro Intestinal (G I) products	3%	3%
Cough Preparations	5%	3%
Neuro Psychiatry	3%	3%
Urology	3%	3%
Neutraceuticals	1%	1%
Others	2%	1%
Total	100%	100%



f. Active Pharmaceutical Ingredients (APIs) and Intermediates Business

During the financial year under report, the APIs and Intermediates business recorded sales of ₹ 1341.37 crores as against ₹ 1506.33 crores in the previous financial year, a decline of 11%. Nearly 76% of the APIs and Intermediates business is from exports.



The Company exports its APIs across the globe. Most of the international customers of the Company are end user formulations manufacturers including several multinational companies.

Your Company is in the process of commercializing new APIs for the global market.

g. New APIs manufacturing unit at Dewas (M.P.)

Your Directors are pleased to inform you that one plant out of the two plants being set-up for manufacturing of Drug Intermediates and Active Pharmaceuticals Ingredients (APIs) at the Company's new green field manufacturing unit at Dewas (Madhya Pradesh) has commenced trial production in the month of February, 2022.

h. Intellectual Property Protection

The Company has created intellectual property management group within the Research and Development centers to deal with management and protection of intellectual property. The Company has filed many patent applications till date in India, USA and other countries. These applications relate to novel and innovative manufacturing processes for the manufacture of APIs and pharmaceutical formulations.

i. Internal Control Systems and its adequacy

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorization and approval procedures. The Company has an internal audit department which carries out audits throughout the year. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

j. Human Resources

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees across various locations.

During the year under review, various training and development workshops were conducted to improve the competency level of employees with an objective to improve the operational performance of individuals. The Company has built a competent team to handle challenging assignments. The Company strives to enhance the technical, work related and general skills of employees through dedicated training programs on a continuous basis.

The Company has 15,155 permanent employees (including 801 overseas employees) as on 31st March, 2022 out of which 7,682 employees are engaged in the marketing and distribution activities.

k. Cautionary Statement

Certain statement in the management discussion and analysis may be forward looking within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realization, currency fluctuations, regulatory issues, changes in government policies and regulations, tax regimes, economic development within India and the countries in which the Company conducts business and other incidental factors.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

SHARE CAPITAL

The paid-up share capital of the Company as at 31st March, 2022 was 25,37,04,218 equity shares of ₹ 1/- each aggregating to ₹ 25.37 crores.

During the financial year under review, pursuant to the approval of the shareholders at the Extra Ordinary General meeting held on 16th December, 2021, every 1 (one) equity share of the nominal/face value of ₹ 2/- each was sub-divided into 2 (Two) equity shares of the nominal/face value of ₹ 1/- each so as to improve the liquidity of the Company's share and to make it more affordable for small investors and to broad base the small investors base.

EMPLOYEES STOCK OPTION SCHEME (ESOS)

The Company has a scheme - Ipca Laboratories Ltd. Employees Stock Option Scheme – 2014 (ESOS) approved by the Board of Directors as well as Company's shareholders. This ESOS is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014. There was no change made in this ESOS Scheme during the financial year under report.

However, currently there are no outstanding options issued under the Company's ESOS.

The necessary disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 is furnished on the website of the Company www.ipca.com.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

During the financial year under report, M/s. Trophic Wellness Private Ltd., a company incorporated under the Companies Act, 1956 and engaged in the business of manufacturing and marketing of several SKUs of Neutraceuticals under the brand name "Nutricharge" has become the subsidiary of the Company. Your Company now holds 52.35% of the paid-up equity share capital of said company.

During the year, your Company has incorporated a not-for-profit Section 8 wholly owned subsidiary company limited by guarantee of not exceeding the sum of ₹ 10 lacs by the name "Ipca Foundation", inter-alia, to carry out Corporate Social Responsibility (CSR) and other related charitable and support activities.

During the financial year, your Company's wholly owned subsidiary, M/s. Ipca Pharmaceuticals, Inc., USA has acquired balance 20% of the share capital of M/s. Bayshore Pharmaceuticals LLC (Bayshore), a New Jersey based limited liability company. With this acquisition, Bayshore is now wholly owned by M/s. Ipca Pharmaceuticals, Inc.

During the year, your Company has also subscribed to 4.03% partnership interest in ABCD Technologies LLP. ABCD Technologies LLP is a limited liability partnership ('LLP') that has various partners. ABCD Technologies LLP will, through its investment entities, engage in the objective of digitizing healthcare infrastructure in India.

During the year, your Company also acquired 26.57% of the paid-up share capital of M/s. Lyka Labs Limited pursuant to a Joint Management Control Agreement with the promoters of the said company. M/s. Lyka Labs Ltd. was incorporated in the year 1976 under Companies Act, 1956 and is engaged in the business of manufacturing and marketing of injectables, lyophilized injectables and topical formulations.

Consequent to acquisition of these shares, the Company also made a public offer to acquire additional 26% equity shares of the said company from its public shareholders under the SEBI (SAST) Regulations, 2011. After completion of the said open offer, your Company holds 26.58% of the equity share capital of the said company.

The Board of Directors of your Company have now decided to merge with the Company its two (2) wholly owned subsidiaries – M/s. Ramdev Chemical Pvt. Ltd. and M/s. Tonira Exports Ltd., subject to necessary approvals.

There has been no material change in the nature of the business of the subsidiaries. The Company has no subsidiary which can be considered as material within the meaning of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of Section 136(1) of the Companies Act, 2013, the following have been placed on the website of the Company www.ipca.com:

a) Annual Report of the Company containing therein its standalone and the consolidated financial statements; and

b) Audited annual accounts of each of the subsidiary companies.

As required, the financial data of the subsidiaries, joint venture and associate companies is furnished in the prescribed Form AOC-1 as an Annexure to the consolidated financial statements.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company are attached.

RESEARCH & DEVELOPMENT (R&D)

The Company has always considered Research and Development (R&D) as crucial for the sustained growth of the Company. In the recent years, the Company has stepped-up investments in R&D to keep pace with the changing domestic and global scenario.

The Company has R&D centers at Mumbai, Ratlam, Athal (Silvassa) and Ranu (Vadodara) which are duly recognized by the Government of India, Ministry of Science and Technology, Department of Scientific & Industrial Research (DSIR).

The R&D expenditure of the Company during the financial year was ₹ 141.46 crores (2.65% of the turnover) as against ₹ 126.67 crores (2.49% of the turnover) in the previous year.

With qualified and experienced research scientists and engineers manning the research and development activities, the Company has focused its thrust on new and innovative process and product development for the manufacture of APIs with non-infringing processes. Apart from development of new dosage forms and drug delivery systems, improvement in processes and yield as well as cost reduction are also focus areas.

DIVIDEND

Your directors have already announced and paid in the month of December 2021 an interim dividend of ₹ 8/- per share (400%) on the face value of ₹ 2/- each for the financial year under report. It is now not proposed to declare any further dividend for the financial year ended 31st March, 2022. The interim dividend paid for the financial year under report is in line with the Company's dividend distribution policy which is placed on the Company's website www.ipca.com.

The dividend amounting to ₹ 101.48 crores paid as interim dividend will be appropriated out of the profits for the year.

INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

The Company has transferred to the Investors Education and Protection Fund (IEPF) all the unpaid dividend amounts required to be so transferred on or before the due date(s) for such transfer. The Company has also transferred to IEPF, such of the Company's equity shares in respect of which the dividend declared has not been paid or claimed for seven consecutive years.

The details of the unpaid / unclaimed dividends for the last seven financial years are available on the website of the Company www.ipca.com.

The Company has appointed its Company Secretary as the nodal officer under the provisions of IEPF.

DIRECTORS

Mr. Ajit Kumar Jain and Mr. Pranay Godha retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

Mr. Anand T. Kusre and Mr. Dev Parkash Yadava were re-appointed as Independent Directors for a second term of five consecutive years from 1st April, 2019 and Dr. (Mrs.) Manisha Premnath was re-appointed as Independent Director for a second term of five consecutive years from 21st September, 2019, through postal ballot on 27th March, 2019. The shareholders have also approved the appointment of Mr. Kamal Kishore Seth as an Independent Director for a period of 5 years from 29th March, 2019.

Mr. Anand Kusre, Mr. Dev Parkash Yadava, Dr. (Mrs.) Manisha Premnath and Mr. Kamal Kishore Seth, who are independent directors, have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations and there has been no change in the circumstances which may affect their status as independent directors during the year.

None of the directors of the Company are debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

A brief note on Directors retiring by rotation and eligible for re-appointment is furnished in the Report on Corporate Governance annexed herewith.

KEY MANAGERIAL PERSONNEL

During the financial year under report, the following persons continue to be the Key Managerial Personnel of the Company

Mr. Premchand Godha	-	Chairman & Managing Director/CEO
Mr. Ajit Kumar Jain	-	Joint Managing Director / CFO
Mr. Pranay Godha	-	Executive Director
Mr. Prashant Godha	-	Executive Director
Mr. Harish P. Kamath	-	Corporate Counsel & Company Secretary

There was no change in the Key Managerial Personnel during the financial year under report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as leadership, entrepreneurship, business advisor or such other attributes which in the opinion of the Committee are in the interest of the Company;
- the candidate should be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in case of appointment as an independent director; and

- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, medical, social service, professional teaching or such other areas or disciplines which are relevant for the Company's business.

BOARD EVALUATION

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors, Board of Directors and Committees of the Board. The criteria for performance evaluation is based on the various parameters like attendance and participation at meetings of the Board and Committees thereof, contribution to strategic decision making, review of risk assessment and risk mitigation, review of financial statements, business performance and contribution to the enhancement of brand image of the Company.

The Board has carried out evaluation of its own performance as well as that of the Committees of the Board and all the Directors.

The annual evaluation was carried out in the following manner:

Sr. No.	Performance evaluation of	Performance evaluation performed by
1.	Board and individual directors	Board after seeking inputs from all directors
2.	Board Committees	Board seeking inputs from all committee members
3.	Individual Directors	Nomination and Remuneration committee
4.	Non-independent directors, Board as a whole and the Chairman	Separate meeting of independent directors after taking views from executive directors
5.	Board, its Committees and individual Directors	At the board meeting held after the meeting of the independent directors based on evaluation carried out as above.

PROFICIENCY OF DIRECTORS

All the independent directors of the Company have registered their names in the database maintained by the Indian Institute of Corporate Affairs, Manesar, Haryana. Those of the independent directors who are not otherwise exempted have appeared and passed the common proficiency test conducted by the said institute within the prescribed time.

REMUNERATION POLICY

The objective and broad framework of the Company's Remuneration Policy is to consider and determine the remuneration based on the fundamental principles of payment for performance, for potential and for growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance and emphasising on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel which is approved by the Board of Directors, subject to the approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Remuneration Policy is placed on the Company's website www.ipca.com.

Information about elements of remuneration package of individual directors is provided in the Annual Return as provided under Section 92(3) of the Companies Act, 2013 which is placed on the website of the Company.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

Details of the familiarisation programs for independent directors are disclosed on the website of the Company www.ipca.com.

MEETINGS OF THE BOARD AND COMMITTEES THEREOF

This information has been furnished under Report on Corporate Governance, which is annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2022 and of the profit of the Company for the financial year;

iii) that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that your Directors have prepared the annual accounts on a going concern basis;

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

vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

As per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance (Annexure 1) together with a certificate of its compliance from a Practising Company Secretary, forms part of this report.

FIXED DEPOSITS

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

AUDIT COMMITTEE

Details of the Audit Committee along with its constitution and other details are provided in the Report on Corporate Governance.

AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS

M/s. G. M. Kapadia & Co., Chartered Accountants (Firm Registration No. 104767W) were appointed as the Statutory Auditors at the 67th Annual General Meeting (AGM) of the Company for a term of 5 (Five) years i.e. till the conclusion of 72nd AGM.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors.

The term of appointment of M/s. G. M. Kapadia & Co., Chartered Accountants is coming to an end at the conclusion of the forthcoming 72nd Annual General Meeting of the Company. In their place, it is now proposed to appoint M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) as the Statutory Auditors of the Company to carry out the statutory audit activities for a period of 5 (five) years from the conclusion of the 72nd AGM and till the conclusion of 77th AGM of the Company.

The necessary resolution for the appointment of the Statutory Auditors will be placed before the shareholders for their approval at the ensuing AGM.

COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036) were appointed as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2021-22.

The Cost Audit Report for the financial year 2020-21, which was due to be filed with the Ministry of Corporate Affairs by 3rd September, 2021 was filed on 31st August, 2021.

The Company has maintained the cost accounts and cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records maintained by the Company for the financial year 2021-22.

The Secretarial Auditors' Report is annexed hereto. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to good corporate citizenship. As a part of its corporate social responsibility, the Company continues to undertake a range of activities including healthcare and education to improve living conditions of the needy people. The CSR policy of the Company is placed on the website of the Company (http://www.ipca.com/pdf/corporate_policy/Corporate_Social_Responsibility_Policy.pdf).

During the year under report, the Company, inter-alia, has also supported healthcare and educational projects undertaken by charitable institutions and organizations.

In accordance with the provisions of Section 135 of the Companies Act, 2013, an abstract on Company's CSR activities is furnished as Annexure 2 to this report.

SAFETY, ENVIRONMENT AND HEALTH

The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are carried out in the manufacturing facilities on safety, environment and health.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made any investments in contravention of the provisions of the Section 186 of the Companies Act, 2013. The details of the loans and guarantees given and investments made by the Company are provided in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (http://www.ipca.com/pdf/corporate_policy/ Related_Party_Transactions.pdf).

All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee and the Board on an annual basis for repetitive transactions.

Related party transactions under Indian Accounting Standard – Ind AS 24 are disclosed in the notes to the financial statements. Prescribed 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 is furnished as Annexure 3 to this report.

EMPLOYEES

Pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said Rules is furnished under Annexure 4 to this report.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours excluding Saturdays and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is available on the Company's website www.ipca.com.

CODE OF CONDUCT

The Board has laid down a code of conduct for board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.ipca.com. The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Chairman & Managing Director / CEO is given at the end of the Corporate Governance Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

There is a Whistle Blower Policy in the Company and that no personnel have been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blower Policy is posted on the website of the Company www.ipca.com.

PREVENTION OF INSIDER TRADING

The Company has also adopted a code of conduct for prevention of insider trading. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

The Board has adopted a revised Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.ipca.com.

CONSTITUTION OF COMMITTEE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy in line with the requirements of Prevention of Sexual Harassment of Women at the Workplace and a Committee has been set-up to redress sexual harassment complaints received. The necessary annual report has been submitted to the competent authority in this regard.

BUSINESS RISK MANAGEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are provided in the Report on Corporate Governance, which is annexed.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

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

In accordance with the requirements of Section 134 of the Companies Act, 2013, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished as Annexure 5 to this report.

ANNUAL RETURN

In accordance with the requirements of Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014, a copy of Annual Return in Form MGT-7 is placed on the Company's website www.ipca.com (weblink : https://www.ipca.com/investors-extract-of-annual-return/).

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of the Company for the financial year ended 31st March, 2022 forms part of this Report. The same is also uploaded on the Company's website www.ipca.com as a part of the Annual Report.

SECRETARIAL STANDARDS

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

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the continued co-operation and support extended to the Company by the bankers and financial institutions. Your Directors also thank the medical profession, the trade and consumers for their patronage of the Company's products. Your Directors also place on record their profound admiration and sincere appreciation of the continued hard work put in by employees at all levels.

For and on behalf of the Board

Premchand Godha

Chairman & Managing Director

24th May, 2022

ANNEXURE 1

REPORT ON CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, given below is a report on the Corporate Governance in the Company:

1. Company's philosophy on Code of Corporate Governance is to ensure :

i) that the Board and top management of the Company are fully appraised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligation to the stakeholders.

ii) that the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.

iii) that all disclosure of information to present and potential investors are maximised.

iv) that the decision making process in the organisation is transparent and are backed by documentary evidences.

v) that the Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, with regard to Corporate Governance.

2. Board of Directors

a) Composition and Category of directors

The present strength of the Board of Directors of the Company is eight directors of which one is promoter Chairman & Managing Director/CEO, one professional non-promoter Joint Managing Director/CFO, two promoter Executive Directors and four non-executive independent directors including one woman director comprising of at least one half of the total strength of the Board with independent judgment in the deliberation and decision of the Board. The Chairman of the Board is an Executive and Promoter Director.

b) Details of attendance of each director at the meeting of the board of directors and the last annual general meeting and shareholding held by them in the Company

Name of the Director	Category	No. of board meetings		Attendance at last AGM (02.09.2021)	No. of Equity shares held in the Company
		Held	Attended		
Mr. Premchand Godha (DIN 00012691)	Chairman & Managing Director/ CEO, Promoter Director	7	7	Yes	5814680
Mr. Ajit Kumar Jain (DIN 00012657)	Joint Managing Director/CFO, Professional, Non-Promoter Director	7	7	Yes	62000
Mr. Pranay Godha (DIN 00016525)	Executive Director, Promoter Director	7	6	Yes	1700990
Mr. Prashant Godha (DIN 00012759)	Executive Director, Promoter Director	7	7	Yes	1568644
Mr. Anand T. Kusre (DIN 00818477)	Non-Executive, Independent Director	7	7	Yes	Nil
Mr. Dev Parkash Yadava (DIN 00778976)	Non-Executive, Independent Director	7	7	Yes	29258
Dr. (Ms.) Manisha Premnath (DIN 05280048)	Non-Executive, Independent Director	7	7	Yes	Nil
Mr. Kamal Kishore Seth (DIN 00194986)	Non-Executive, Independent Director	7	7	Yes	1700

The above shareholding as at 31st March, 2022 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

c) Number of other companies in which Director is a Director and committees in which the Director is Member or Chairperson

Name of Director	No. of other companies in which Director (including private and Section 8 companies)	No. of Committees in which Member (other than Ipca)	No. of Committees of which Chairman (other than Ipca)
Mr. Premchand Godha	6	Nil	Nil
Mr. Ajit Kumar Jain	1	Nil	Nil
Mr. Pranay Godha	6	Nil	Nil
Mr. Prashant Godha	10	Nil	Nil
Mr. Anand T. Kusre	1	Nil	Nil
Mr. Dev Parkash Yadava	5	2	Nil
Dr. (Ms.)Manisha Premnath	2	1	Nil
Mr. Kamal Kishore Seth	Nil	Nil	Nil

Note: Directorship held by Directors mentioned above does not include Directorship of foreign companies.

Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee are only considered.

Mr. Dev Parkash Yadava is an Independent Director on the Board of Directors of M/s. Universal Starch Chem Allied Limited, a listed entity. He is also a member of the Audit Committee, Nomination & Remuneration Committee (Chairman) and Stakeholders Relationship Committee of the Board of Directors of the said company.

Mr. Prashant Godha is a Director on the Board of M/s. Makers Laboratories Ltd. and M/s. Resonance Specialties Ltd., listed companies. He is also the member of the Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board of Directors of M/s. Resonance Specialties Ltd.

None of the other Directors of the Company are on Board of Directors of any other listed company.

Every Director informs the Company about the Committee positions he or she occupies in the other entities and any changes in them as and when they take place.

d) Number of meetings of the board of directors held during the financial year 2021-22 and dates on which held

7 (Seven) board meetings were held during the financial year 2021-22. The dates on which the said meetings were held are as follows:

30th April, 2021	28th May, 2021
5th August, 2021	13th November, 2021
24th November, 2021	24th December, 2021
14th February, 2022	

The last Annual General Meeting of the Company was held on 2nd September, 2021.

e) Disclosure of relationships between directors inter-se

Mr. Premchand Godha, Chairman & Managing Director, Mr. Pranay Godha and Mr. Prashant Godha, Executive Directors are related to each other. None of the other Directors are related to each other.

f) Number of shares and convertible instruments held by Non-Executive Directors

The information about number of shares held by Non-Executive Directors in the Company is given in the table above. None of the Non-Executive Directors currently hold any convertible instruments of the Company.

g) Web link where details of familiarisation programmes imparted to independent directors is disclosed

The Company has conducted familiarisation programmes for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the pharmaceutical industry and the Company's business model. The familiarisation programs have been uploaded on the website of the Company at www.ipca.com.

h) A chart or a matrix setting out the skills/expertise/competence of the board of directors

The Board considers that the following core skills / expertise / competence of the Board of Directors are required in the context of its business and its sector for it to function effectively: Research & development, technical, manufacturing, marketing, commercial, regulatory, finance, legal and general management.

In the opinion of the Board, these skills / expertise / competence are actually available with its Board of Directors.

Skills / Expertise / Competence of the Board of Directors required in the context of business of the Company	Names of the Directors who have such skills / expertise / competence
Research & Development	Mr. Premchand Godha Mr. A. K. Jain Mr. Pranay Godha Mr. Anand T. Kusre Dr. (Ms.) Manisha Premnath
Technical	Mr. Pranay Godha Mr. Anand T. Kusre Mr. Dev Parkash Yadava Dr. (Ms.) Manisha Premnath
Manufacturing & Marketing	Mr. Premchand Godha Mr. A. K. Jain Mr. Pranay Godha Mr. Prashant Godha Mr. Dev Parkash Yadava Dr. (Ms.) Manisha Premnath
Commercial	Mr. Premchand Godha Mr. A. K. Jain Mr. Dev Parkash Yadava Mr. Kamal Kishore Seth
Regulatory	Mr. Pranay Godha Dr. (Ms.) Manisha Premnath
Finance	Mr. Premchand Godha Mr. A. K. Jain Mr. Pranay Godha Mr. Prashant Godha Mr. Anand T. Kusre Mr. Kamal Kishore Seth
Legal And General Management	Mr. Premchand Godha Mr. A. K. Jain Mr. Pranay Godha Mr. Prashant Godha Mr. Kamal Kishore Seth

i) Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management

It is confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

j) Detailed reasons for the resignation of any independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided

During the financial year under report, none of the Independent Directors have resigned from the Board of Directors of the Company.

3. Audit Committee

a) Brief description of terms of reference

The terms of reference to Audit Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations such as oversight of the Company's financial reporting process; recommending the appointment/

re-appointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process; approval of transactions with related parties; sanctioning of loans and investments; evaluation of internal financial control and risk management system; reviewing with the management annual financial statements and Auditors report thereon; quarterly financial statements and other matters as covered under role of Audit Committee in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company / Company's subsidiaries as well as seek outside legal and professional advice. The Audit committee reviews all the information that is required to be mandatorily reviewed by it under the corporate governance.

b) Composition, name of members and chairperson

The Audit Committee of the Company currently comprises of Mr. Anand T. Kusre, Chairman of the Committee, Mr. Dev Parkash Yadava and Mr. Kamal Kishore Seth, all being Independent Directors with independent judgment in the deliberation and decisions of the Board as well as Audit Committee and Mr. Prashant Godha, Executive Director. All members of the Audit Committee have knowledge on financial matters and ability to read and understand financial statements. The Chairman of the Audit Committee is a retired senior banker. He was subsequently Professor at IIT, Bombay's Shailesh J. Mehta school of Management where he taught courses in Innovation and Entrepreneurship. He was also the Founder Professor of Desai Sethi School of Entrepreneurship which supports aspiring student entrepreneurs through courses and structured mentoring programs at IIT, Bombay.

Mr. Ajit Kumar Jain, Joint Managing Director in-charge of Finance/CFO and Mr. Pranay Godha, Executive Director along with Statutory Auditors, Cost Auditors and Mr. Ravi Jain, Asst. General Manager (Audit) who is the Internal Auditor of the Company are invitees to the meetings of the Audit Committee. Mr. Harish P. Kamath, Corporate Counsel and Company Secretary is the Secretary of this Committee.

c) Audit Committee meetings and the attendance during the financial year 2021-22

There were 6 (Six) meetings of the Audit Committee during the Financial Year 2021-22. The gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

30th April, 2021	28th May, 2021
5th August, 2021	13th November, 2021
24th November, 2021	14th February, 2022

The attendance of each member of the Audit Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Anand T. Kusre	6	6
Mr. Dev Parkash Yadava	6	6
Mr. Kamal Kishore Seth	6	6
Mr. Prashant Godha	6	6

The previous annual general meeting of the Company was held on 2nd September, 2021 and was attended by Mr. Anand Kusre, the Chairman of the Audit committee.

4. Nomination and Remuneration Committee

a) Brief description of terms of reference

i. formulation of the criteria for determining qualifications, skills, knowledge and experience, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees;

ii. for every appointment of an independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare the description of role and capabilities required of an Independent Director. The person recommended to the Board for appointment as Independent Director shall have the capabilities identified in such description.

iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;

iv. devising a policy on diversity of board of directors;

v. identifying persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment, remuneration and removal;

vi. whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors; and

vii. administer and superintend the Company's Employees Stock Option Scheme (ESOS).

b) Composition, name of members and chairperson

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Mr. Anand T. Kusre (Chairman of the Committee), Mr. Dev Parkash Yadava, Mr. Kamal Kishore Seth and Dr. (Ms.) Manisha Premnath, all independent directors to function in the manner and to deal with the matters specified in the Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees and to administer the Company's ESOS.

The Nomination and Remuneration Committee has adopted the following policies which are displayed on the website of the Company.

i. Formulation of the criteria relating to the remuneration of the directors, key managerial personnel and other employees (weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Remuneration_Policy.pdf);

ii. Performance criteria for evaluation of Independent Directors and the Board (weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Policy_on_Board_Diversity_of_the_Company.pdf);

iii. Devising a policy on Board diversity (weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Policy_on_Board_Diversity_of_the_Company.pdf);

iv. Oversee the familiarization programs for directors (weblink https://www.ipca.com/wp-content/pdf/familiarisation-programmes-imparted-to-independent-directors-2021-22.pdf); and

v. Identifying persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal (weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Criteria_for_selection_of_Candidates_for_Senior_Management_and_Members_on_the_Board.pdf).

c) Meeting and attendance during the financial year 2021-22

There were 3 (Three) meetings of this Committee during the Financial Year 2021-22. The dates on which the said meetings were held are as follows:

28th May, 2021	24th December, 2021
14th February, 2022	

The attendance of each member of the Nomination and Remuneration Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Anand T. Kusre	3	3
Mr. Dev Parkash Yadava	3	3
Mr. Kamal Kishore Seth	3	3
Dr. (Ms.) Manisha Premnath	3	3

d) Performance evaluation criteria for independent directors

Performance criteria for evaluation of Independent Directors and the Board is displayed on the Company's website (weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Evaluation_of_Directors.pdf).

5. Remuneration of Directors

a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report

During the financial year under report, the non-executive Directors had no pecuniary relationship or transactions with the Company.

b) Criteria of making payments to non-executive directors

The non-executive Directors are paid only sitting fees and re-imbursement of out of pocket expenses incurred for attending the meetings of the Board of Directors and Committees thereof.

Details of payments made to Non-Executive Directors in the Financial Year 2021-22 are as under:

Name of the Director	Sitting fees Paid (₹)	Commission paid (₹)
Mr. Anand T. Kusre	12,00,000	Nil
Mr. Dev Parkash Yadava	13,50,000	Nil
Dr. (Ms.) Manisha Premnath	10,50,000	Nil
Mr. Kamal Kishore Seth	15,00,000	Nil

None of the Independent Directors have received any remuneration or commission from Company's holding or subsidiary companies.

c) Disclosures with respect to remuneration paid / payable to Wholetime Directors for the financial year 2021-22

i. The details of the remuneration paid/payable to Managing Director, Joint Managing Director and Executive Directors for the Financial Year 2021-22 are given below:

(₹)

Name of Director	Salary*	Benefits / Perquisites / Pension etc.*	Commission (performance linked)	Stock Options	Total
Mr. Premchand Godha (Chairman & Managing Director)	3,63,00,000	1,50,66,636	5,44,50,000	Nil	10,58,16,636
Mr. Ajit Kumar Jain (Joint Managing Director)	1,95,00,000	2,15,22,298	2,97,00,000	Nil	7,07,22,298
Mr. Pranay Godha (Executive Director)	1,20,00,000	1,09,12,939	2,34,00,000	Nil	4,63,12,939
Mr. Prashant Godha (Executive Director)	96,74,999	85,49,032	1,93,50,000	Nil	3,75,74,031

* Fixed Component

The remuneration paid to the Wholetime Directors are within the limits prescribed under the applicable provisions of the Companies Act, 2013 and under Corporate Governance.

ii. Details of fixed component and performance linked incentives, along with the performance criteria

The required details are given in the table above.

iii. Service contracts, notice period, severance fees

The appointment of Managing Director, Joint Managing Director and Executive Directors is contractual and is generally for a period of 5 years. Either party is entitled to terminate agreement by giving not less than 60 days notice in writing, as the case may be, to the other party. There is no separate provision for payment of severance fee in the agreements signed by the Company with them.

iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

The Company currently has no outstanding stock options issued.

6. Stakeholders Relationship Committee

a) Name of Non-Executive Director heading the committee

This Committee currently functions under the Chairmanship of Mr. Kamal Kishore Seth, non-executive Independent Director. Dr. (Ms.) Manisha Premnath, non-executive Independent Director, Mr. Premchand Godha, Chairman & Managing Director and Mr. Ajit Kumar Jain, Joint Managing Director are the other members of this committee. This Committee functions in the manner and deals with the matters specified in Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The committee monitors share transfers, transmissions and other shareholders related activities including redressal of investor grievances.

Details of share transfers / transmissions and other shareholders related activities including investor grievances and its redressal are also discussed regularly in the meetings of the Board of Directors of the Company.

Meetings held and attendance during the financial year 2021-22

There were 3 (three) meetings of this committee during the financial year 2021-22. The date on which the said meetings were held are as follows:

28th May, 2021	5th August, 2021
13th November, 2021	

The attendance of each member of the Stakeholders Relationship Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Kamal Kishore Seth	3	3
Dr. (Ms.) Manisha Premnath	3	3
Mr. Premchand Godha	3	3
Mr. Ajit Kumar Jain	3	3

Mr. Kamal Kishore Seth, the Chairman of the Committee attended the last Annual General Meeting of the Company held on 2nd September, 2021.

b) Name and designation of Compliance officer

Mr. Harish P. Kamath, Corporate Counsel & Company Secretary is the Compliance Officer of the Company.

c) Number of shareholders' complaints received

During the year, the Company received 4 complaints from the shareholders, all of which are attended to.

d) Number not solved to the satisfaction of shareholders

The Company had no unattended request pending for transfer of its equity shares or any unattended complaints at the close of the financial year.

e) Number of pending complaints

Nil

7. General Body Meetings

a) Details of the location and time where the last three Annual General Meetings (AGM) and Extra-ordinary General Meeting (EGM) were held

AGM /EGM for the financial year ended	Day, Date & Time of AGM/ EGM	Place of AGM/EGM	Special Resolutions Passed
EGM	Thursday, 16th December, 2021 at 11.30 a.m. (EGM)	Through Video conferencing/Other Audio Visual Means (VC/OAVM)	• Approval for alteration of the capital clause of memorandum of association
31-3-2021	Thursday, 2nd September, 2021 at 3.30 p.m. (AGM)	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	• None
31-3-2020	Thursday, 17th September, 2020 at 3.30 p.m. (AGM)	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	• None
EGM	Thursday, 24th October, 2019 at 11.00 a.m. (EGM)	Sarovar Banquet Hall, 2nd Floor, Payyade International Hotels Pvt. Ltd. Vasanji Lalji Road, Near Railway Station, Kandivli (West), Mumbai – 400 067	• Issue of convertible warrants to Promoters / Members of the Promoter Group of the Company on preferential basis.
31-3-2019	Tuesday, 13th August, 2019 at 3.30 p.m. (AGM)	Aspee Auditorium, Laxminarayan Mandir Complex, Near Nutan School, Marve Road, Malad (West), Mumbai – 400 064	• Appointment of Mr. Kamal Kishore Seth as a Director / Independent Director.

All the resolutions including special resolutions set out in the respective notices calling the AGM / EGM were passed by the shareholders.

There is no proposal to pass any special resolution through postal ballot at the ensuing Annual General Meeting.

b) Whether any special resolutions passed in the previous three annual general meetings

Details of special resolutions passed in the previous 3 Annual General Meetings are given in the table above.

c) Whether any special resolution passed last year through postal ballot

None

d) Person who conducted the postal ballot exercise

Not Applicable

e) Whether any special resolution is proposed to be conducted through postal ballot

No special resolution is currently proposed to be conducted through postal ballot.

f) Procedure for postal ballot

Not Applicable

8. Means of communication

a)	Quarterly / Annual Results	:	The results of the Company are submitted to the stock exchanges where the shares of the Company are listed and published in the newspapers after the approval of the Board.
b)	Newspapers wherein results normally published	:	The Financial Express, Free Press Journal and Nav Shakti.
c)	Website, where displayed	:	www.ipca.com
d)	Whether website also displays official news releases	:	Yes
e)	Presentation made to institutional investors or to the analysts	:	The website includes all the information on presentations made to the investors and analysts.

9. General Shareholders Information

a)	AGM : Date, Time and Venue	:	Wednesday, 10th August, 2022 at 3.30 p.m. through video conferencing / other audio visual means (VC/OAVM). Plot No. 125, Kandivli Industrial Estate, Kandivli (West), Mumbai shall deemed to be the venue of the AGM.
b)	Financial Year First quarter results Second quarter results Third quarter results Annual results	:	1st April –31st March first week of August* first week of November* first week of February* last week of May* * tentative
c)	Dividend Payment dates	:	The Company has already declared and paid an interim dividend of ₹ 8/- per share on the equity share capital for the financial year 2021-22. The said interim dividend was paid in the month of December, 2021. It is not proposed to declare any further dividend for the financial year ended 31st March, 2022.
	Date of Book closure	:	Friday, 5th August, 2022 to Wednesday, 10th August, 2022 (both days inclusive) for the purpose of Annual General Meeting.
d)	The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	:	• BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023 • The National Stock Exchange of India Ltd. (NSE). Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051 Listing fees have been paid to both the stock exchanges for the financial year 2022-23 in April 2022.
e)	Stock code – Physical and ISIN Number for NSDL and CDSL Corporate Identity Number allotted by Ministry of Corporate Affairs	: :	524494 on BSE; IPCALAB on NSE INE 571A01038 L24239MH1949PLC007837
f)	Market price data: high, low during each month in last financial year	:	Please see Annexure 'A'

g)	Stock performance in comparison to BSE Sensex	:	Please see Annexure 'B'
h)	In case the securities are suspended from trading, the directors report shall explain the reason thereof		The securities of the Company are not suspended from trading by the Stock Exchanges.
i)	Registrars and share transfer agents	:	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West) Mumbai – 400 083 Tel. No. (022) 4918 6000 Fax. No.(022) 4918 6060
j)	Share transfer system	:	In terms of Regulation 40 (1) of SEBI (LODR) Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from April 1, 2019, except in case of requests received for transmission or transposition of securities. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode. The requests for effecting transfer / transmission / transposition of securities shall not be processed unless the securities are held in dematerialized form. Transfer of shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form.
k)	Distribution of shareholding/ shareholding pattern as on 31.3.2022	:	Please see Annexure 'C'
l)	Dematerialisation of shares and liquidity	:	99.47% of the paid-up share capital has been dematerialised as on 31st March, 2022.
m)	Outstanding GDRs/ADRs/warrants/ convertible instruments, conversion date and likely impact on equity	:	The Company currently has no outstanding GDRs/ADRs/ warrants/ convertible instruments, sweat equity or ESOS.
n)	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	:	The Company is not materially exposed to commodity price risk. The Company also does not carry out any commodity hedging activities. i. Total Exposure of the Company to the Commodities : Nil ii. Exposure of the Company to various commodities : Nil iii. Commodity risks faced by the listed entity during the year and how they were managed: During the year under report, the Company did not face any material commodity risks, other than logistics issues and cost inflationary pressure on account of continuing coronavirus pandemic and geo-political turmoil. Since about half of the Company's income is by way of exports with major currency exposure being in US Dollars, Pound Sterling and Euros, the Company generally does currency hedging upto a maximum period of 18 months and upto the extent of 40% - 60% of its Net Foreign Exchange Earnings (NFE). The Company keeps its borrowings in foreign currency exposure open and to that extent is exposed to the currency fluctuation risks.

o)	Plant Locations	:	1. Sejavata, Ratlam, Madhya Pradesh. 2. Pologround, Indore, Madhya Pradesh. 3. SEZ Indore, Pithampur, Madhya Pradesh. 4. Sector III, Industrial Area, Pithampur, Madhya Pradesh. 5. Dewas, Madhya Pradesh 6. Gandhidham, Gujarat. 7. Nandesari, Gujarat. 8. Ankleshwar, Gujarat. 9. Village Ranu, Tehsil Padra, District Vadodara, Gujarat. 10. Athal, Silvassa (D&NH). 11. Danudyog Industrial Estate, Silvassa (D&NH). 12. Aurangabad, Maharashtra (Unit I & Unit II). 13. Mahad, Maharashtra. 14. Tarapur, District Palghar, Maharashtra. 15. Dehradun, Uttarakhand. 16. Gom Block, Bharikhola, South Sikkim (Unit I & Unit II).
p)	Address for Correspondence	:	Harish P Kamath Corporate Counsel & Company Secretary Ipca Laboratories Limited 125, Kandivli Industrial Estate Kandivli (W), Mumbai 400 067 Tel. No. (022) 6210 6050 E-mail : investors@ipca.com
q)	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad		CARE Ratings has revised the outlook for the ratings of the Company's long term / short term bank facilities Fund Based / Non Fund Based of ₹ 1140 crores - CARE AA; Positive / Care A1+ (Double A; Outlook:Positive / A One Plus). CRISIL has re-affirmed 'CRISIL A1+' rating on the ₹ 200 crores (enhanced from 50 crores) commercial paper programme of the Company.
r)	Share transfer and other communications may be addressed to the Registrars	:	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West) Mumbai – 400 083 Tel. No. (022) 4918 6000 Email: rnt.helpdesk@linkintime.co.in

10. Other Disclosures

a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Policy_on_Related_Party_Transactions.pdf). There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company.

The Register of Contracts containing the transactions in which Directors are deemed to be concerned or interested is placed before the Board and Audit Committee regularly for its approval. Disclosures from directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any other statutory authorities on any matter related to capital market during the last 3 financial years

None

c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company. (weblink https://www.ipca.com/whistleblowing-policy/).

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below.

e) Web link where policy for determining 'material' subsidiaries is disclosed

The Board has approved a policy for determining 'material' subsidiaries which has been uploaded on the website of the Company. (Weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Policy_on_Material_Subsidiaries.pdf).

f) Web link where policy on dealing with related party transactions is disclosed

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company. (Weblink https://www.ipca.com/wp-content/pdf/corporate-policy/Policy_on_Related_Party_Transactions.pdf).

g) Disclosure of commodity price risks and commodity hedging activities

The Company is engaged in the manufacturing and marketing of pharmaceuticals. Since the Company does not consume large quantities of commodities in its manufacturing activities, the Company is not materially exposed to commodity price risks nor does the Company do any commodity hedging.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has utilized the funds raised through preferential allotment of convertible warrants and equity shares on conversion of warrants for the purposes for which the allotment of said convertible warrants / equity shares on conversion of warrants were made.

i) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority

The Company has obtained a certificate in this regard from a Company Secretary in practice.

j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

The Board has accepted and acted on all the mandatory recommendations of its committees during the financial year under report.

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

The Company's subsidiaries have not made any payment to the statutory auditors of the Company. The fees paid by the Company to its Statutory Auditors are stated in the appended Audited Financial Statements of the Company.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the calendar year 2021	:	5
Number of complaints disposed of during the calendar year	:	5
Number of complaints pending as at end of the calendar year	:	Nil

11. Non-Compliance of any requirement of Corporate Governance Report with reasons thereof

None

12. Adoption of Discretionary Requirements

A. The Board	The Company currently has an Executive Chairman and as such he has an office maintained by the Company.
B. Shareholders Rights	At present, the Company does not send the statement of half yearly financial performance to the household of each shareholder. The Company publishes the same in the newspapers and also uploads the same on its website.
C. Modified opinion(s) in audit report	The Company's financial statements are with unmodified audit opinion.
D. Reporting of internal auditor	The Internal Auditor reports to the Joint Managing Director / CFO as well as to the Audit Committee.

13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46

a) The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.

b) The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.

c) Code of Conduct for Board and Senior Managerial Personnel

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.ipca.com.

The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Chairman & Managing Director / CEO is given at the end of this Report.

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.ipca.com. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

d) The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

f) The Company has a Risk Management Committee which monitors and reviews risk management plan on regular basis. The Board of Directors also periodically review and monitor the risk management plan of the Company.

g) The Board on an annual basis evaluates the performance of independent Directors. The Independent Directors have also given declarations that they fulfill the criteria of independence as specified in SEBI (LODR) Regulations, 2015 and that they are independent of the Company's management.

h) Risk Management Committee

This Committee currently functions under the Chairmanship of Mr. Kamal Kishore Seth, non-executive Independent Director. Mr. A. K. Jain, Joint Managing Director/CFO, Mr. Pranay Godha, Executive Director, Mr. Prashant Godha, Executive Director and Mr. Manish Jain, Sr. Vice President – Business Development are the other members of the Committee.

The roles and responsibilities of the Risk Management Committee includes monitoring and review of risk management plan and reporting the same to the Board of Directors as it may deem fit and any other terms as may be referred to them by the Board of Directors, from time to time.

The Board of Directors of the Company also regularly discuss in their meetings the major risk factors to which the Company is exposed such as forex, receivables, cyber security, regulatory, etc.

The risk management policy is displayed on the Company's website (https://www.ipca.com/wp-content/pdf/corporate-policy/Risk_Management _ Policy.pdf).

There were 3 (three) meeting of this committee during the financial year 2021-22. The dates on which the said meetings were held are as follows:

5th August, 2021	13th November, 2021
14th February, 2022	

The attendance of each member of the Risk Management Committee in the committee meeting is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Kamal Kishore Seth (appointed w.e.f 28.05.2021)	3	3
Mr. Ajit Kumar Jain	3	3
Mr. Pranay Godha	3	3
Mr. Prashant Godha	3	3
Mr. Manish Jain (Sr. Vice President – Business Development)	3	2

i) The Company has formulated a policy on materiality of related party transactions and dealing with related party transactions including clear threshold limits approved by the Board which is available on the website of the Company (https://www.ipca.com/wp-content/pdf/corporate-policy/policy-on-materiality.pdf).

j) The Company has not entered into any materially significant transactions during the year under report with promoters, directors, key/senior management personnel, etc. other than the non-material transactions entered into in the ordinary course of Company's business as approved by the Audit Committee through omnibus approval valid for each financial year. Transactions with related parties are disclosed under notes forming part of the accounts. The Board and the Audit Committee periodically reviews the details of the related party transactions entered into by the Company. Omnibus approval of the Audit Committee is also obtained before entering into related party transactions.

k) No employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement for himself or on behalf of other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

l) Subsidiary Companies

The Company has 3 non-listed, non-material Indian subsidiaries, 2 of which are wholly owned. The Company also has 5 overseas non-material wholly owned subsidiary companies and 4 overseas non-material wholly owned subsidiary companies of wholly owned subsidiaries, the financial statements of which are regularly reviewed by the Audit Committee and the Board of Directors. The minutes of board meetings of subsidiary companies are also regularly placed before the meetings of the Board of Directors of the Company. The Board of Directors of the Company also reviews all significant transactions and arrangements, if any, entered into by the unlisted subsidiaries.

m) None of the Director of the Company is a director or act as independent director in more than seven listed entities and none of the Wholetime Director serve as an Independent Director in more than 3 listed entities.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company. For determining this limit, Chairpersonship and Membership of Audit Committee and Stakeholders Relationship Committee only are considered.

The Shareholders have approved the re-appointment of Mr. Anand T. Kusre and Mr. Dev Parkash Yadava as Independent Directors for a second term of five consecutive years from 1st April, 2019 and Dr. (Mrs.) Manisha Premnath as Independent Director for a second term of five consecutive years from 21st September, 2019 through postal ballot on 27th March, 2019. The shareholders have also approved the appointment of Mr. Kamal Kishore Seth as Independent Director for a term of five consecutive years from 29th March, 2019 at the Annual General Meeting of the Company held on 13th August, 2019.

The terms and conditions of appointment of independent directors have been disclosed on the website of the Company www.ipca.com. The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and the rules made thereunder.

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013 and Reg 16(1)(b) of SEBI LODR Regulations, all the independent directors have given declaration of independence and the same has been noted in the first board meeting of the current financial year held on 24th May, 2022.

n) Independent Directors Meeting

During the year under review, the Independent Directors met on 14th February, 2022, without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

i. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors; and

iii. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the said meeting.

o) The Company has undertaken and covered all the Company's Directors and Officers liability with a suitable insurance policy covering such risks and to the extent of such quantum as determined by the Board.

p) The Company maintains a functional website containing the basic information about the Company (www.ipca.com). The Company has disseminated all the required information on its website as required under Regulation 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

q) Information on Directors retiring by rotation and seeking appointment / re-appointment :

Mr. Ajit Kumar Jain (DIN 00012657)

Mr. Ajit Kumar Jain aged 67 years is a qualified Chartered Accountant and a Science Graduate and is employed with the Company since 1980. He was first appointed as a Director of the Company designated as Executive Director on 21st August, 1994. He is a professional, Wholetime, Non-promoter Director of the Company. He was re-designated as Joint Managing Director at the meeting of the Board of Directors of the Company held on 29th July, 2010. He is also CFO of the Company.

He has over 4 decades of experience in the pharmaceutical industry in the field of Finance, Accounts, Information Technology, Legal, R&D, General Administration, etc.

He holds Directorship in the following companies:

1.	Ipca Foundation

He holds 62,000 equity shares in the Company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company is given in the Report on Corporate Governance of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

He is not related to any Director or Key Managerial Personnel (KMP) of the Company.

Mr. Pranay Godha (DIN 00016525)

Mr. Pranay Godha, aged 50 years has done his B.Sc. from University of Bombay and has also obtained a degree in M.B.A from the New York Institute of Technology, USA. He has over 2 decades of experience in the field of Marketing and General Management.

Mr. Pranay Godha was appointed as the Business Development Manager of the Company w.e.f 16th April, 2003 and was subsequently promoted as Vice President - Generics Business of the Company w.e.f. 1st November, 2004. He was further promoted as President – Generics Business of the Company in May, 2006 and subsequently appointed as the Executive Director of the Company with effect from 11th November, 2008.

He holds Directorship in the following companies:

1.	Kaygee Laboratories Pvt. Ltd.	2.	Mexin Medicaments Pvt. Ltd.
3.	Kaygee Investments Pvt. Ltd.	4.	Gudakesh Investment & Traders Pvt. Ltd.
5.	Paranthapa Investments & Traders Pvt. Ltd.	6.	Paschim Chemicals Pvt. Ltd.

He is also Director of some of foreign subsidiaries of the Company where he represents the Company as a Director.

He holds 17,00,990 equity shares in the Company.

He is not a member of any Committee of the Board in other companies in which he is a Director.

Number of Board Meetings held and attended by him during his tenure as Director of the Company is given in the Report on Corporate Governance of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

Mr. Premchand Godha, Chairman & Managing Director, Mr. Pranay Godha and Mr. Prashant Godha, Executive Directors are related to each other. He is not related to any other Director or Key Managerial Personnel (KMP) of the Company.

r) Corporate Social Responsibility Committee

As per Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising of Mr. Dev Parkash Yadava, Independent Director and Chairman of the Committee, Mr. Premchand Godha, Chairman & Managing Director, Mr. Ajit Kumar Jain, Joint Managing Director and Mr. Prashant Godha, Executive Director. The CSR Committee of the Board will be responsible for:

i) formulating and recommending to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company;

ii) recommending the amount of expenditure to be incurred on the CSR activities; and

iii) monitoring the CSR Policy of the Company from time to time.

There were 3 (Three) meetings of this committee during the financial year 2021-22. The dates on which the said meetings were held are as follows:

28th May, 2021	5th August, 2021
13th November, 2021	

The attendance of each member of the Corporate Social Responsibility Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Dev Parkash Yadava	3	3
Mr. Premchand Godha	3	3
Mr. Ajit Kumar Jain	3	3
Mr. Prashant Godha	3	3

The CSR policy of the Company is placed on the website of the Company www.ipca.com.

s) Reconciliation of Share Capital Audit:

A qualified practising Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

t) Dividend Distribution Policy

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the Company has formulated a Dividend Distribution Policy which has been uploaded on the website of the Company (https://www.ipca.com/wp-content/pdf/corporate-policy/dividend_distribution_policy.pdf).

Annexure A

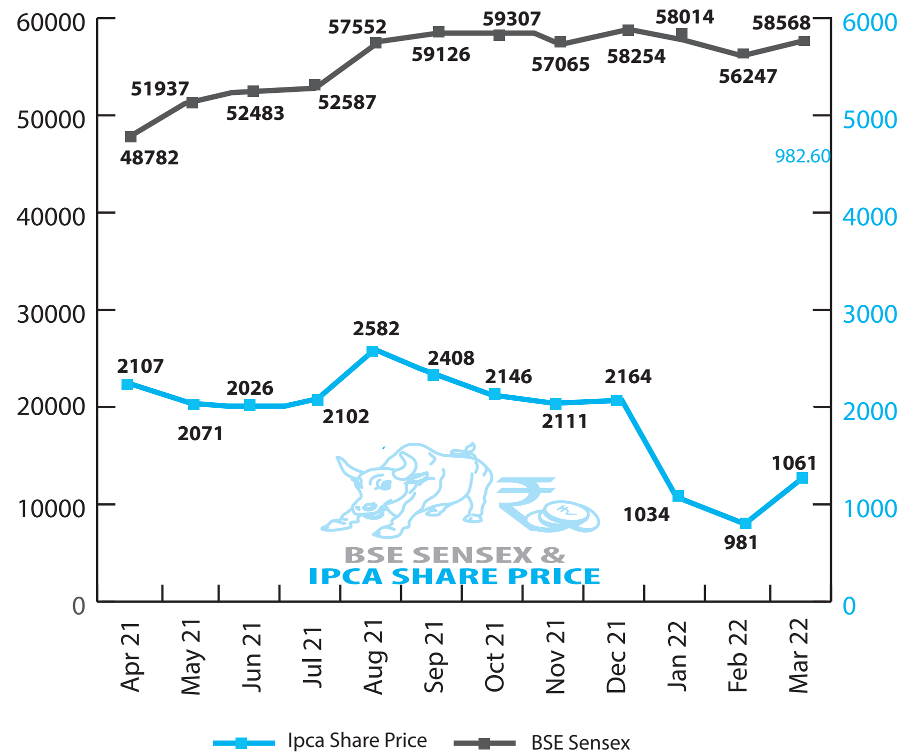
High/low of market price of the Company's shares traded on BSE Ltd (BSE) and National Stock Exchange of India Ltd. (NSE) during the financial year 2021-22 is furnished below:

Year	Month	Highest (₹)		Lowest (₹)	
		BSE	NSE	BSE	NSE
2021	April	2219.00	2220.00	1835.00	1833.35
	May	2308.05	2309.00	1996.05	1996.10
	June	2134.20	2135.00	1965.00	1964.10
	July	2244.00	2245.00	2001.00	2000.00
	August	2664.65	2664.30	2052.35	2051.00
	September	2767.10	2766.20	2316.45	2317.25
	October	2457.40	2456.70	2082.85	2082.00
	November	2256.80	2257.00	1965.90	1965.00
	December	2199.00	2199.45	1927.65	1925.05
2022	January	2222.00	2222.00	993.00*	990.00*
	February*	1066.15	1067.65	917.00	925.20
	March*	1089.00	1095.00	930.15	929.25

*Post stock split of the face value of each share from ₹ 2/- to ₹ 1/- each.

Annexure B

Graph of share price/ BSE Sensex



Annexure C

The distribution of shareholding as on 31st March, 2022 is as follows :

No. of equity shares held			No. of shareholders	%	No. of shares	%
Upto		500	110304	93.58	6612887	2.61
501	to	1000	2958	2.51	2326146	0.92
1001	to	2000	3175	2.69	5659115	2.23
2001	to	3000	345	0.29	874268	0.34
3001	to	4000	256	0.22	966469	0.38
4001	to	5000	94	0.08	431626	0.17
5001	to	10000	269	0.23	2004809	0.79
10001	and	above	469	0.40	234828898	92.56
Grand Total			117870	100.00	253704218	100.00
No. of shareholders in Physical Mode			1765	1.50	1337628	0.53
No. of shareholders in Electronic Mode			116105	98.50	252366590	99.47

Shareholding pattern as on 31st March, 2022 is as follows :

Categories of shareholders	No. of shareholders	No. of shares	% holding
Indian Promoters	17	117432472	46.29
Banks and Insurance Companies	18	10668087	4.21
Mutual Funds / Foreign Mutual Funds	48	72287485	28.49
FIIs / Foreign Portfolio Investors	200	27952261	11.02
NRIs	3731	1534827	0.60
Domestic Companies / Other Bodies Corporates	713	1272699	0.50
Resident Individuals/Others	113143	22556387	8.89
Total	**117870**	**253704218**	**100.00**

CEO CERTIFICATION

To,
All the Members of
Ipca Laboratories Ltd.

It is hereby certified and confirmed that as provided in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2022.

For Ipca Laboratories Limited
Premchand Godha
Chairman & Managing Director / CEO

24th May, 2022

CEO/CFO CERTIFICATION

The Board of Directors
Ipca Laboratories Limited
48, Kandivli Industrial Estate,
Kandivli - West, Mumbai – 400 067.

We hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief;

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) No transaction is entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Ipca Laboratories Ltd.

	Premchand Godha	**Ajit Kumar Jain**
24th May 2022	Chairman & Managing Director / CEO	Joint Managing Director / CFO

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO

THE MEMBERS OF

IPCA LABORATORIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by Ipca Laboratories Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Practising Company Secretaries

Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018
UDIN: F006488D000377298
PR No.: 1129/2021

Mumbai, 24th May 2022

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT		
a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No of shares – 81424* No of shareholders - 126
b)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	4
c)	Number of shareholders to whom shares were transferred from suspense account during the year	4
d)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No of shares – 62584* No of shareholders - 82
e)	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	Voting rights in respect of shares lying in the suspense account shall be frozen till the rightful owner of such shares claim them.

*Post stock split of the face value of each share from ₹ 2/- to ₹ 1/- each.

ANNEXURE 2

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

The Company believes that contributing to the overall health and wellness of our world starts with lessening our impact on the environment and we remain committed to the highest ethical standards in everything we do - right from research and development to manufacturing, sales and marketing.

The Company's Corporate Social Responsibility involves initiatives on a micro level to include patient health, employee and public safety, nurturing of environment and building sustainable communities. The Company also engages with external stakeholders including healthcare professionals, investors, customers, non-governmental organisations and suppliers in this endeavour.

The Company is committed to operate its business with emphasis on CSR in all areas of its operations. The Company integrates its business values and operations to meet the expectations of its customers, employees, regulators, investors, suppliers, the community and take care of environment with best interest.

2. **Composition of CSR Committee:**

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dev Parkash Yadava	Independent Director and Chairman of the Committee	3	3
2	Mr. Premchand Godha	Chairman & Managing Director	3	3
3	Mr. Ajit Kumar Jain	Joint Managing Director	3	3
4	Mr. Prashant Godha	Executive Director	3	3

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

A definite and well structured Corporate Social Responsibility (CSR) policy has been framed by the Company and is available on its website (weblink: https://www.ipca.com/wp-content/pdf/corporate-policy/Corporate_Social_Responsibility_Policy.pdf).

The CSR policy forms a part of the Company's corporate vision and defines its approach on key responsibility issues. The CSR spends on CSR projects made during the year and approved by the CSR Committee/Board are listed herein below.

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):**

No impact assessments of CSR Projects were carried out in the financial year ended 31st March, 2022.

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 ₹ Crores)	Amount required to be set-off for the financial year, if any (in ₹ Crores)
1	2020-21	2.05	-

6. **Average net profit of the company as per Section 135(5):** ₹ 910.58 Crores

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 18.21 crores

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : ₹ 2.05 crores

   (c) Amount required to be set off for the financial year, if any: None

   (d) Total CSR obligation for the financial year (7a-7b): ₹ 16.16 crores

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

Total Amount Spent for the Financial Year (in ₹ Crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
14.46	1.82	27.04.2022	None	None	None

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

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Localarea (Yes/ No)	Location of the project		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial year (in ₹).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹).	Mode of implementation -Direct (Yes/ No).	Mode of implementation Through implementing Agency	
				State	District						Name	CSR Registration No.
NOT APPLICABLE												

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

1	2	3	4 & 5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No) Location of the project		Amount spent in the current financial year (₹ Crores)	Mode of implementation -Direct (Yes/ No).	Mode of implementation Through implementing Agency	
			State	District			Name	CSR Registration Number
1.	Education, healthcare, sports,eradication of poverty, sanitation, protection of national heritage,rural development, etc.	Education, healthcare, sports,eradication of poverty, sanitation, protection of national heritage and rural development.	Maharashtra, Sikkim, Uttarakhand, Madhya Pradesh, Dadra & Nagar Haveli and Gujarat		3.34	Directly by Company	-	-
2.	Replacing traditional stoves with clean stoves in tribal/rural areas	Healthcare/ Environment	Assam		0.52	Thru Trust	SEWA	CSR00014974
3.	5 lacs trees plantation – Cauvery river belt	Environment	Tamilnadu/ Karnataka		2.10	Thru Trust	Isha Outreach	CSR00009670
4	Protect the national heritage, art and culture and restoration of buildings and sites of historical importance	Promotion National Heritage, Art & Culture	All India		2.00	Thru Trust	Shri Ratanlal Kanwarlal Patni Foundation	CSR00001828
5	Womens Education Initiative	Promotion of Education	Mumbai Maharashtra		1.00	Thru Trust	The Jain Education Society	CSR00005651
6	Promotion of Healthcare, Education, Sports	Healthcare, Education and Sports	All India		0.33	Thru Trust	Prabhat Foundation	CSR00008482
7	Renovation of facility of blind student school	Promotion of Education	Mumbai Maharashtra		0.15	Thru Trust	National Association for the Blind	CSR00013701
8	Part contribution towards setting up of Oxygen plant at Sri Sathya Sai Sanjeevani Hospital	Healthcare	Navi Mumbai Maharashtra		0.15	Thru Trust	Rotary Public Charitable Trust	CSR00002668
9	Dialysis care for kidney patients	Healthcare	Telangana		0.11	Thru Trust	Bhagwan Mahavir Jain Relief Foundation	CSR00005629

1	2	3	4 & 5		6	7	8	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No) Location of the project**		**Amount spent in the current financial year (₹ Crores)**	**Mode of implementation -Direct (Yes/ No).**	**Mode of implementation Through implementing Agency**	
			State	**District**			**Name**	**CSR Registration Number**
10	Covid relief work	Healthcare	Maharashtra		0.10	Thru Trust	Apne Aap Women Collective	CSR00000525
11	Procurement of ISO Tank for storage of Oxygen	Healthcare	Maharashtra		0.10	Thru Trust	Savitribai Phule Mahila Ekatma Samaj Mandal	CSR00000173
12	Skill development	Skill Development	Maharashtra		0.10	Thru Trust	BVP Malad Charity Trust	CSR00007682
13	Education to intellectually deficient children	Education	Maharashtra		0.05	Thru Trust	Punarvas Education Society	CSR00002954
14	Books and food grains to poor students	Education/ Nutrition	Madhya Pradesh		0.03	Thru Trust	MK Educational Society	CSR00003323
15	Educational facility related to blind students	Education	Maharashtra		0.02	Thru Trust	National Society for the Blind	CSR00012853
16	Education, healthcare, sports,eradication of poverty, sanitation, protection of national heritage,rural development, etc.	Education, healthcare, sports,eradication of poverty, sanitation, protection of national heritage and rural development	Maharashtra, Sikkim, Uttarakhand, Madhya Pradesh, Dadra & Nagar Haveli and Gujarat		4.36	Thru Trust	Ipca Foundation	CSR00012321
	Total				14.46			

(d) Amount spent in Administrative Overheads: None

(e) Amount spent on Impact Assessment, if applicable: None

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 14.46 Crores

(g) Excess amount for set off, if any: ₹ 0.12 Crore

Sl. No.	**Particular**	**Amount (in ₹ Crores).**
(i)	Two percent of average net profit of the company as per section 135(5)	18.21
(ii)	Total amount spent for the Financial Year	14.46
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	2.05
(v)	Amount transferred to unspent CSR account	1.82
(vi)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.12
(vii)	Amount carried forward for set-off in succeeding financial years	-

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 ₹ Crores)	Amount spent in the reporting Financial Year (in ₹ Crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	Nil	Nil	N/A	N/A	N/A	N/A
2.	2019-20	0.06	0.06	N/A	N/A	N/A	N/A
3.	2018-19	Nil	Nil	N/A	N/A	N/A	N/A
	TOTAL	0.06	0.06	-	-	-	-

(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 ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
1.	01/22	Distribution of Efficient and Clean cook stoves to tribal / rural household	2021-22	2 years	2.34	0.52	0.52	Ongoing

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

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: None

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: None

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): None

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): Since unspent amount of on-going CSR project is transferred to a separate bank account under Section 135 (6) of the Act, this is not applicable.

For and on behalf of the Board

24th May 2022

Premchand Godha
Managing Director / CEO

Dev Parkash Yadava
(Chairman CSR Committee)

ANNEXURE 3

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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
   - (a) Name(s) of the related party and nature of relationship: Not Applicable
   - (b) Nature of contracts/arrangements/transactions: Not Applicable
   - (c) Duration of the contracts / arrangements/transactions: Not Applicable
   - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
   - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
   - (f) Date(s) of approval by the Board: Not Applicable
   - (g) Amount paid as advances, if any: Not Applicable
   - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:
   - (a) Name(s) of the related party and nature of relationship: Not Applicable
   - (b) Nature of contracts/arrangements/transactions: Not Applicable
   - (c) Duration of the contracts / arrangements/transactions: Not Applicable
   - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
   - (e) Date(s) of approval by the Board, if any: Not Applicable
   - (f) Amount paid as advances, if any: Not Applicable

Note: All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material within the meaning of Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the related party transactions are disclosed in the notes to the financial statements.

For and on behalf of the Board

Premchand Godha

24th May, 2022

Chairman & Managing Director

ANNEXURE 4

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 is as under:

Sr. No.	Name of the Director / Key Managerial Person (KMP) and Designation	Remuneration of Director / KMP for the financial year 2021-22 (₹) (including commission provided for Wholetime Directors)	% increase/ (decrease) in remuneration in the financial year 2021-22	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Premchand Godha (Chairman & Managing Director/CEO)	10,58,16,636	(1.95%)	309.76
2.	Mr. A. K .Jain (Joint Managing Director/CFO)	7,07,22,298	9.71%	207.03
3.	Mr. Pranay Godha (Executive Director)	4,63,12,939	42.91%	135.57
4.	Mr. Prashant Godha (Executive Director)	3,75,74,031	23.59%	109.99
5.	Mr. A. T. Kusre (Independent Director)	12,00,000	14.29%	3.51
6.	Mr. Dev Parkash Yadava (Independent Director)	13,50,000	12.50%	3.95
7.	Dr. (Ms.) Manisha Premnath (Independent Director)	10,50,000	23.53%	3.07
8.	Mr. Kamal Kishore Seth (Independent Director)	15,00,000	36.36%	4.39
9.	Mr. Harish P. Kamath (Corporate Counsel & Company Secretary)	1,39,38,779	9.69%	40.80

ii. The median remuneration of the employees of the Company during the financial year was ₹ 3,41,610/-.

iii. In the financial year, there was an increase of 8.97% in the median remuneration of employees.

iv. There were 15,155 permanent employees on the rolls of Company as on March 31, 2022.

v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2021-22 was 10.50% whereas there is an increase of 10.92% in the managerial remuneration for the same financial year.

vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board

Premchand Godha

24th May, 2022

Chairman & Managing Director

ANNEXURE 5

1. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy :

The Company continues its policy of giving priority to energy conservation measures including regular review of energy generation and consumption and effective control on utilisation of energy.

The following energy conservation measures were implemented during the financial year:

- Maintaining unity power factor
- Reducing transmission losses by revamping of capacitor
- Energy efficient pumps in cooling, chilling and brine applications
- Epoxy FRP Blades in Cooling Tower Fans
- VFD on higher HP pumps of utilities with pressure transmitter
- Replacement of old and low efficiency motors with energy efficient motors
- Replacement of reciprocating air compressor by energy efficient air compressor
- Replacement of conventional lightings with LED lightings
- Auto bio-coal fuel feeding system installed in 3 boilers.
- Old motors replaced with new motors of IE3 rating with improved efficiency
- Auto controller installed in hot water system to save the steam consumption

(ii) The steps taken by the Company for utilizing of alternate sources of energy :

The Company is evaluating all possibilities of utilizing alternate sources of energy in its operations, wherever possible, especially solar/wind energy.

The Company has invested/in the process of investing an amount of ₹ 161.06 crores in setting-up solar/wind renewable energy power plants at Solapur (Maharashtra), Patan (Gujarat), Khandwa (M.P.) and Athal (Silvassa) with total capacity of 36.57 MW till 31st March, 2022. During the financial year, these power plants have in total generated 134.47 lacs power units which were used for Company's various manufacturing / R&D facilities.

(iii) The capital investment on energy conservation equipments :

All the necessary capital and revenue expenditures were incurred by the Company on energy conservation equipments and consumables.

2. TECHNOLOGY ABSORPTION

Research & Development

(A) Specific areas in which R&D work was carried out by the Company:

The Company's R&D Centres at Mumbai, Ratlam, Athal and Ranu are approved by Department of Scientific and Industrial Research, Government of India. The Company carries out R&D in several areas including:

(i) Development of indigenous technologies for major drugs and intermediates, process improvements, technology absorption and optimisation of basic drugs, process simplification, etc.

(ii) Improvement of existing processes to improve yields and quality, reduce cost and lead to eco friendly process.

(iii) Development of newer dosage forms and new drug delivery systems.

(iv) Development of non-infringing processes for APIs.

(B) Benefits derived as a result of the above R & D :

(i) R&D efforts have helped bring out an improvement in processes, product design and operating efficiencies.

(ii) Development of new formulations and line extensions.

(iii) Development of various APIs and Intermediates.

(iv) Development of new markets, adaptation to meet export requirements, quality upgradation and cost reduction.

(C) Future Plan of Action :

(i) Development of various APIs/intermediates having good potential for exports and local market.

(ii) Additional investment in manpower, latest instrumentation to upgrade and strengthen R & D facilities.

(iii) Development of newer drug delivery systems.

(iv) Development of formulations for developed market and bio-equivalence studies of the same.

(D) Expenditure on R & D:

	2021-22 (₹ Crores)	2020-21 (₹ Crores)
a) Capital	23.54	5.28
b) Revenue	117.92	121.39
c) Total	141.46	126.67
d) R & D expenditure as a percentage of turnover	2.65%	2.49%

(E) Imported technology (imported during last 5 years):

The Company has not imported any technology during the last 5 years.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Earnings

The CIF value of exports of the Company during the year aggregated to ₹ 2502.69 crores as against ₹ 2717.19 crores in the previous year.

B) Outgo

The foreign exchange outgo of the Company during the year aggregated to ₹ 893.54 crores as against ₹ 794.87 crores in the previous year.

For and on behalf of the Board

Premchand Godha

Chairman & Managing Director

24th May, 2022

Business Responsibility (BR) Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars		Details
1	Corporate Identity Number		L24239MH1949PLC007837
2	Name of the Company		Ipca Laboratories Limited
3	Registered address		48, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067
4	Website		www.ipca.com
5	E-mail id		investors@ipca.com
6	Financial Year reported		1st April, 2021 to 31st March, 2022
7	Sector(s) that the Company is engaged (industrial activity code-wise)		Pharmaceuticals. NIC Code - 21002
8	List of key products/services that the Company manufactures/provides (as in balance sheet)		The Company is engaged in the manufacturing and marketing of pharmaceuticals. Key products are : 1. Hydroxychloroquine Sulphate 2. Artemether & Lumefantrine 3. Acceclofenac and its combinations
9	Total number of locations where business activity is undertaken by the Company		
	(a)	Number of International Locations (provide details of major 5)	The Company has non-trading offices in several countries in South East Asia, CIS and Africa. The Company's wholly owned subsidiaries have contract research and manufacturing centres in the United Kingdom and United States.
	(b)	Number of National Locations –	The Company has 18 manufacturing facilities details of which are provided in the Annual Report. The Company's R&D Centres are located at Mumbai, Ranu, Ratlam & Silvassa. The Registered and Corporate offices of the Company are at Mumbai. The Company has pan India Distribution network.
10	Markets served by the Company - Local/State/ National/International		The Company's products are sold across the globe.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Details
1	Paid up Capital (INR)	₹ 25.37 crores
2	Total Turnover (INR)	₹ 5455.49 crores
3	Total profit after taxes (INR)	₹ 870.94 crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 14.46 crores. 1.66% of the net profit for the financial year 2021-22.
5	List of activities in which expenditure in 4 above has been incurred	Mainly in the field of education, medical relief and poverty elevation.

SECTION C: OTHER DETAILS

Sr. No.	Particulars	Details
1	Does the Company have any Subsidiary Company/ Companies?	The Company has 13 subsidiaries. Out of this, 9 are overseas subsidiaries.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	Many of the overseas subsidiaries are incorporated mainly to hold product registrations and therefore, do not generate material revenue and do not directly participate in the BR initiatives of the parent Company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	There is no direct participation in the Company's BR initiatives by Company's suppliers, distributors, etc.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy :		
Sr. No.	**Particulars**	**Details**
1	DIN Number	00012657
2	Name	Mr. Ajit Kumar Jain
3	Designation	Joint Managing Director
(b) Details of the BR head		
Sr. No.	**Particulars**	**Details**
1	DIN Number	00012657
2	Name	Mr. Ajit Kumar Jain
3	Designation	Joint Managing Director
4	Telephone No.	022-6210 6020
5	E-mail id	ajit.jain@ipca.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Yes, wherever necessary								
2	Has the policy being formulated in consultation with the Relevant Stakeholders?	The policies have been formulated in consultation with the Company's Corporate Management Team and are approved by the Board of Directors.								
3	Does the policy conform to any national / international standards? If yes, specify?	All the policies are framed keeping in mind the compliances with the national standards/requirements.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies are approved by the Board, signed by the Managing Director/CEO and many of which are also placed on the website of the Company, www.ipca.com								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The implementation of the policies are periodically reviewed by the Corporate Management Team of the Company.								
6	Indicate the link for the policy to be viewed online?	www.ipca.com								
7	Has the policy been formally communicated to all relevant internal and external Stakeholders?	Many of the Company's policies are placed on the website of the Company and can be viewed by the Company's internal and external stakeholders. The other relevant policies are made available upon request by any stakeholder.								
8	Does the company have in-house structure to implement the policy/ policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address Stakeholders' grievances related to the policy/ policies?	Yes								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Effectiveness of the policies are periodically reviewed/evaluated by the Company's Corporate Management Team. However, the Company has not carried out any independent evaluation/audit of the working of these policies by external agency.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	NOT APPLICABLE								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

Sr. No.	Particulars	Details
1	Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR Performance of the Company. (Within 3 months, 3-6 months, Annually, More than 1 year)	All the policies of the Company are reviewed on a quarterly basis by the Company's Corporate Management Team consisting of all Wholetime working Directors and other senior managerial employees of the Company.
2	Does the Company publish a BR or a Sustainability Report?	The Company does not propose to publish a Business Responsibility or Sustainability Report.
	What is the hyperlink for viewing this report?	Business responsibility report will be placed on the website of the Company as and when prepared.
	How frequently it is published?	Please see the answer above.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	
1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?
	The policy covers all the stakeholders of the Company, internal as well as external.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?
	Other than normal business related complaints in the ordinary course of the Company's business, no other material complaint has been received from any of the stakeholder in the financial year under report. All the complaints received are satisfactorily resolved.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	
	(a)	All the pharmaceuticals manufactured by the Company meet the pharmacopeial requirements.
	(b)	Pharmacovigilance activities are carried out in the markets serviced by the Company.
	(c)	Safety/Stability of the products are continuously monitored as per the standard operating procedures of the Company.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional)	
	(a)	Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
		The Company monitors these activities on a continuous basis. However, in view of varied nature of products and packs, the compilation of accurate information is not feasible.
	(b)	Reduction during usage by consumers (energy, water) has been achieved since the previous year?
		Please see the information furnished under (a) above.
3	Does the company have procedures in place for sustainable sourcing (including transportation)?	
	The philosophy of the Company is to continuously work on the indigenization of its key raw materials to reduce dependence on imports and to reduce cost in order to be competitive as well as to have alternate source of dependable supply for uninterrupted supply chain.	
	(a)	If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
		Due to the Company's policy as stated above, the consumption of imported raw materials has been coming down.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	
	Yes	
	(a)	If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
		The Company provides necessary regulatory and technical support to small vendors providing goods and services to the Company. Regular Vendor Audits are carried out and reports are shared with small vendors for improvement in their quality systems.
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	
	Being in the highly regulated industry, re-cycling of products is not possible/permissible. However, wherever possible, industrial solvents are recovered and reused. Similarly, catalysts used in the processes are regenerated and reused.	

Principle 3 - Businesses should promote the wellbeing of all employees		
1	Total number of employees	15,155
2	Total number of employees hired on temporary/contractual/casual basis.	6,063
3	Number of permanent women employees.	954

Principle 3 - Businesses should promote the wellbeing of all employees		
4	Number of permanent employees with disabilities	3
5	Do you have an employee association that is recognized by management?	Yes
6	What percentage of your permanent employees is members of this recognized employee association?	8.56%
7	Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	None	None
2	Sexual harassment (for the calendar year 2021)	5	None
3	Discriminatory employment	None	None

The Company has adopted a policy in line with the requirements of Prevention of Sexual Harassment of Women at the Workplace and a Committee has been set-up to redress sexual harassment complaints received. The necessary annual report has been submitted to the competent authority in this regard.

8	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	
(a)	Permanent Employees	All employees are trained on safety and job skills before their induction in the organization. Also need based regular safety and job skills trainings as well as re-trainings are imparted based on requirements and observations.
(b)	Permanent Women Employees	
(c)	Casual/Temporary/Contractual Employees	
(d)	Employees with Disabilities	

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	
1	Has the company mapped its internal and external stakeholders?
	Yes. The Company has mapped its internal and external stakeholders.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders
	Yes.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so
	Company generally provides its highest attention to the needs of disadvantaged and marginalized stakeholders.

Principle 5 - Businesses should respect and promote human rights	
1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
	The Company's policy on human rights extends to subsidiaries and group companies / ventures.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
	No complaints were received in the financial year under report in respect of violation of human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment	
1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.
	Extends to Company as well as Company's subsidiaries and group companies.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.
	The Company has strategies / initiatives to address global environmental issues. The approach includes setting up of renewable power supply like solar energy, sourcing of power from wind mills, replacement of coal with agri waste briquettes for boilers, enhanced solvent recovery, water conservation thru 3R (reduce, recycle, replenish) water management principles, etc.
3	Does the company identify and assess potential environmental risks?
	Yes

4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?
	The Company has invested / is in the process of investing about ₹ 161.06 crores in the generation of solar / wind power energy with a capacity of 36.57 MW for use by its manufacturing units, R&D centres and offices.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.
	Please see answer to item 2 above.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?
	Yes. All manufacturing plants comply with the permissible limits for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal as per consents / authorizations.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.
	None pending unattended / unresolved as at the financial year end.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	
1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
	The Company is a member of Indian Drugs Manufacturing Association (IDMA), Indian Pharmaceuticals Association (IPA), etc.
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas
	The Company has lobbied through the associations in respect of the policies passed / to be passed by the Government and relating to pharmaceuticals industry sector for advancement of pharmaceutical industry as well as for advancement of economy and public good.

Principle 8 - Businesses should support inclusive growth and equitable development	
1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.
	Yes. The Company's initiatives and programs are in the activities such as promotion of education, vocational training & skill improvement, healthcare, rural development, etc.
2	Are the programmes/projects are undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?
	The programs and projects are undertaken through in-house teams, own foundation as well as through other charitable organizations.
3	Have you done any impact assessment of your initiative?
	Impact assessment is not done through any independent agency.
4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?
	This information has been provided under CSR Report of the Company. The total amount spent in the financial year under report is ₹ 14.46 crores.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?
	The Company generally monitors its CSR spent towards community development initiatives.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner	
1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.
	There are no consumer cases pending against the Company.
2	Does the company display product information on the product label, over and above what is mandated as per local laws?
	No. Being in a highly regulated industry, the Company has to strictly follow mandated laws.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof
	None
4	Did your company carry out any consumer survey/ consumer satisfaction trends?
	Yes. The Company carries out pharmacovigilance activities and the reports are filed with the regulators on a regular basis.

For and on behalf of the Board

Premchand Godha
Chairman & Managing Director

24th May, 2022

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,

The Members,

Ipca Laboratories Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

 (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

 (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

 (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

 (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

 (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

 (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

 (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period)

 (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period) and

 (i) Other regulations of the Securities and Exchange Board of India as are applicable to the Company.

(vi) Other laws applicable specifically to the Company namely:

(1) Pharmacy Act, 1948;

(2) Drugs and Cosmetics Act, 1940;

(3) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;

(4) Narcotic Drugs and Psychotropic Substances Act, 1985;

(5) Drug Pricing Control Order, 2013

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. In the case of Corporate Social Responsibility ("CSR"), the Company has spent an amount of Rs. 16.51 crores towards CSR out of the amount of Rs. 18.21 crores required to be spent during the year. The unspent amount of CSR Expenditure of Rs. 1.82 crores during the year has been transferred to the unspent CSR account of the Company in accordance with the provisions of the Act.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were in compliance of the provisions of the Act.

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

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. M/s. Trophic Wellness Private Ltd., a company incorporated under the Companies Act, 1956 and engaged in the business of manufacturing and marketing of several SKUs of Neutraceuticals under the brand name "Nutricharge" has become the subsidiary of the Company. The Company now holds 52.35% of the paid-up equity share capital of said company.

2. The Company has incorporated a not-for-profit Section 8 wholly owned subsidiary company limited by guarantee of not exceeding the sum of Rs. 10 lacs by the name "Ipca Foundation", inter-alia, to carry out corporate social responsibility (CSR) and other related charitable and support activities.

3. The Company also acquired 26.57% of the paid-up share capital of M/s. Lyka Labs Limited pursuant to a Joint Management Control Agreement with the promoters of the said company. Consequent to acquisition of these shares, the Company also made a public offer to acquire additional 26% equity shares of the said company from its public shareholders under the SEBI (SAST) Regulations, 2011. After completion of the said open offer, the Company holds 26.58% of the equity share capital of the said company.

4. Pursuant to the approval of the shareholders at the Extra Ordinary General meeting held on 16th December, 2021, every 1 (one) equity share of the nominal/face value of Rs. 2/- each was sub-divided into 2 (Two) equity shares of the nominal/face value of Re. 1/- each so as to improve the liquidity of the Company's share and to make it more affordable for small investors and to broad base the small investors base.

For **Parikh & Associates**
Company Secretaries

Jigyasa N. Ved
Partner
FCS No: 6488 CP No: 6018
UDIN: F006488D000377221
PR No.: 1129/2021

Place: Mumbai
Date : 24.05.2022

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

Ipca Laboratories 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. 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.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

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

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

Jigyasa N. Ved
Partner
FCS No: 6488 CP No: 6018
UDIN: F006488D000377221
PR No.: 1129/2021

Place: Mumbai
Date : 24.05.2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Ipca Laboratories Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Ipca Laboratories Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statement in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements section* of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules framed thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters:

Sr. No.	Key Audit Matters (KAMs)	How the KAMs were addressed in our audit
1.	**Inventory Valuation** Refer note (C)(g) of the Statement of Significant Accounting Policies. The Company manufactures and sells pharmaceutical products which carry shelf life. As a result, significant level of judgement is involved in estimating inventory valuation. Judgement is required to assess the appropriate net realisable value for short dated raw material and finished products. Such judgments include management expectations for future sales and inventory liquidation plans.	Our procedures included, amongst others: • We attended stock counts to identify whether any inventory was obsolete; • We assessed the basis for the inventory valuation, the consistency in policy and the rationale in its application; • We tested the accuracy of the ageing of inventories based on system generated reports; • We reviewed material testing reports and future plans for consumptions; • We tested the arithmetical accuracy of valuation files; and • We reviewed product-wise historical data relating to sales return etc. and also its impact on valuation.

Sr. No.	Key Audit Matters (KAMs)	How the KAMs were addressed in our audit
2.	**Impairment of Property, plant & equipment** Refer note (C)(b) of the Statement of Significant Accounting Policies. There is a risk of impairment of the Company's Property, plant and equipment (PPE) on account of inherent nature of the PPE and the business environment in which the Company operates. As on March 31, 2022 the carrying amount of PPE was ₹ 2037.05 crores which represent 27.28 % of total assets. The Management determines at the end of each reporting period the existence of any objective evidence that the Company's PPE may be impaired. If there are indicators of impairment of class of assets, the deficit between the recoverable amount of the PPE and its carrying amount would be recognised as impairment loss in profit or loss. The process of identifying indicators of impairment and determining the recoverable amount of the PPE by the Management requires significant judgement and estimation. The determination of the recoverable amounts *inter alia* requires estimates of forecasted revenues, growth rates, profit margins, tax rates and discount rates.	• We assessed the determination of the recoverable amount of the PPE based on our understanding of the nature of the Company's business and the economic environment surrounding its operations. • We reviewed the Company's historical performances and held discussions with the Management to understand their assessment of the Company's future performance. This included obtaining an understanding of management's planned strategies around business expansion and revenue growth strategies. • We also reviewed performance of individual units and carried out analytical review of relevant data. • We assessed management's estimates applied in the value-in-use model and compared them against historical performance and tested the arithmetical accuracy. • We evaluated the sensitivity of the outcomes by considering the downside scenarios against changes to the key assumptions. • We also assessed the adequacy of the related disclosures in the notes to the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Our Report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Standalone and Consolidated Financial Statements and our auditor's reports thereon. The Annual Report is expected to be made available to us after the date of this report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information, identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take necessary actions as applicable under the relevant laws and regulations.

Management's and Those Charged with Governance Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS and relevant provisions of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
    d) In our opinion, the Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 35 to the Standalone Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on the long-term contracts including derivative contracts;

iii. There has been no amounts, which are required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 2(vi)(m) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, other than as disclosed in the note 2(vi)(n) to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 has 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.; and

(d) The dividend declared and paid during the year by the Company is in compliance with section 123 of the Act.

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No: 104767W

Atul Shah
Partner
Membership No: 039569
UDIN: 22039569AJMIIS3020

Mumbai
Dated: May 24, 2022

Annexure A - referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2022

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

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) The Company has a regular programme of physical verification of Property, plant and equipment by which all Property, plant and equipment of the Company are being verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of Property, plant and equipment has been physically verified by the Management during the year and no material discrepancies were noticed on verification conducted during the year as compared with the book records.

(c) The title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements are held in the name of the Company except for following:

Description of item of property	Gross carrying value (₹ In crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold Land	37.90	Noble Explochem Limited	No	22.01.2020	Acquisition under the Insolvency & Bankruptcy Code, 2016. Name transfer work is in progress.
Leasehold Land	24.50				
Buildings	10.63				

(d) The Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year ended March 31, 2022.

(e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the Management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks on the basis of security of current assets. The details filed with such banks on quarterly are in agreement with the books of account of the Company.

(iii) During the year, the Company has made investments in companies, limited liability partnerships and granted unsecured loans to other parties, in respect of which:

(a) The Company has granted unsecured loans to its subsidiary, associates and other related party during the year. The details are as under:

Particulars	(₹ Crores)
A. Aggregate amount granted/ provided during the year	
- Subsidiary, Associates and other related party	59.85
- Other	35.00
B. Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiary, Associates and other related party	55.90
- Other	-

(b) The investments made during the year and the terms and conditions of the grant of all loans are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company during the year, the schedule of repayment of principal and payment of interest has been stipulated and the repayment of principal amounts and receipts of interest are generally been regular as per stipulation except in case of one company where schedule of payments of interest is not stipulated.

(d) There is no overdue amount for more than ninety days in respect of loans given.

(e) Loan given to one of the subsidiaries was fallen due during the year, which has been renewed or extended.

Particulars	(₹ Crores)
Aggregate amount of such dues renewed or extended	34.00
Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year	26.39%

(f) During the year, 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.

(iv) The Company has complied with the provisions of section 185 and 186 of the Act, to the extent applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other applicable statutory dues with the appropriate authorities.

No undisputed statutory dues payable were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

(b) The details of statutory dues referred to in sub-clause (a) which have not been deposited with the concerned authorities on account of dispute are given below:

Name of statute	Nature of dues	(₹ Crores)	Period to which the amount relates	Forum where dispute is pending
Excise Duty	Differential Excise duty on WIP on Debonding	0.23	2009-10	CESTAT, Ahmedabad
Excise Duty	Recovery of refund (SAD and CVD paid on import of material)	0.20	2019-20	Asst. Commissioner CGST & Central Excise, Division VII, Silvassa, Daman
Excise Duty	Interest and penalty on anti-dumping duty & excise duty (Relating to erstwhile Tonira Pharma Limited since amalgamated with the Company)	4.15	Feb-2000 - Nov-2001	High Court, Gujarat
Service Tax	Availment of credit of Service Tax on H.O. Invoices	2.92	April'06 to Sept'09	Addl.Commissioner, CGST & Central Excise, Ujjain (M.P)
Service Tax	Availment of credit of Service Tax on certain expenses*	0.00	2006-07	Dy.Commissioner, Central Excise, Indore (M.P.)
Service Tax	Non payment of service tax under RCM on remittances in foreign currency for certain expenses.	4.80	July'12 to Sept'13	CESTAT, Mumbai

Name of statute	Nature of dues	(₹ Crores)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Non payment of Service tax Under RCM on 'Ocean Freight' on objection raised during CERA audit.	0.26	Apr'17 to Jun'17	Dy./ Asst. Commissioner, Central GST & CE, Vadodara
Sales Tax	Jammu & Kashmir Value Added Tax	0.05	2011-12	Deputy Commissioner of Commercial Tax (Appeal), Srinagar
Sales Tax	Gujarat Value Added Tax	0.07	2006-07	Gujarat VAT Tribunal, Ahmedabad
Sales Tax	Gujarat Value Added Tax	0.28	2006-07	Additional Commercial Commissioner Ahmedabad
Sales Tax	Regular assessment	0.20	2014-15	Deputy Commissioner of Commercial Tax, Patna
Sales Tax	Regular assessment	0.02	2017-18	The Asst. Commissioner of Commercial Tax Ratlam Division-Ratlam (M.P.)
Sales Tax	Regular assessment	0.02	2016-17	Sales Tax Department, Kolkata
Sales Tax	Penalty levied at Check Post	0.01	2014-15	Sales Tax Department, Kolkata
GST	Ineligible Transitional credit	0.46	Dec-2017	The Deputy/Assistant Commissioner of Central Tax (Adjudication Authority), Vijayawada. CGST Division
GST	Transitional credit verification	0.15	Dec-2017	Deputy Commissioner CGST and Central Excise, Gangtok Division
GST	Transitional credit verification	0.55	Dec-2017	Assistant Commissioner of Central Tax, Jaipur Division
GST	Difference between GSTR-3B and GSTR-2A	0.03	2019-20	Assistant Commissioner of State Tax, Raipur Division
GST	Transitional credit verification	0.01	Dec-2017	Assistant Commissioner of Central Tax, Hyderabad Uppal Division
GST	Difference between GSTR-3B and GSTR-2A	0.15	2020-21	Assistant Commissioner of State Tax, Raipur Division
GST	ISD credit disallowance	0.09	2017-18	State Tax officer, Mumbai
Income Tax	Regular assessment	0.51	A.Y.2016-17	Appeal before CIT(A)
Income Tax	Penalty u/s 271(1)(c)	6.88	A.Y.2009-10 to A.Y.2014-15	Appeal filed before CIT(A)
Income Tax	Regular assessment	0.09	A.Y.2017-18	Appeal filed before CIT(A)
Income Tax	Regular assessment	0.42	A.Y.2018-19	Appeal filed before CIT(A)
	Total	**22.55**		

* Note: Balances with values below the rounding off norm adopted by the Company have been reflected as "0.00".

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(ix) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.

(f) The Company has not raised loans during the year on pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised monies by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year.

(b) During the year, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) During the year and up to the date of this report, no report under section 143(12) of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have considered whistle blower complaints received during the year by the Company.

(xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and 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 internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2022.

(xv) The Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (RBI Act). Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted any Non-Banking Finance or Housing Finance activities which would require the Company to hold valid certificate of Registration from the Reserve Bank of India (RBI) as per the RBI Act.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulation made by the RBI. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) The Group has two CICs.

(xvii) The Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 34 to the Standalone Financial Statements.

(b) The Company has transferred unspent amount to a special account in compliance of provision of sub-section (6) of section 135 of the said Act against the ongoing project. This matter has been disclosed in note 34 to the Standalone Financial Statements.

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No: 104767W

Atul Shah
Partner
Membership No: 039569
UDIN: 22039569AJMIIS3020

Mumbai
Dated: May 24, 2022

Annexure B - referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of report of even date, to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Standalone Financial Statements under section 143(3)(i) of the Act

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of **Ipca Laboratories Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

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 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls 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 controls 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 Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to 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 **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No: 104767W

Atul Shah
Partner
Membership No: 039569
UDIN: 22039569AJMIIS3020

Mumbai
Dated: May 24, 2022

IPCA LABORATORIES LIMITED

Standalone Balance Sheet as at March 31, 2022

	Particulars	Note Ref.	As at Mar 31, 2022 (₹ Crores)	As at Mar 31, 2021 (₹ Crores)
	ASSETS			
1.	**Non-current assets**			
	(a) Property, plant & equipment	1	2,037.05	1,824.30
	(b) Capital work-in-progress		285.29	180.85
	(c) Goodwill	1A	7.77	7.77
	(d) Other intangible assets	1B	19.70	21.08
	(e) Intangible assets under development		3.75	1.15
	(f) Right of use assets	31	20.26	15.45
	(g) Financial assets			
	(i) Investments in Subsidiary/ Joint Venture/ Associate	2	703.02	474.01
	(ii) Other investments	2A	25.19	-
	(iii) Loans	3	63.88	81.31
	(iv) Others	4	68.81	81.83
	(h) Other non-current assets	5	41.22	44.59
	Total Non-current assets		3,275.94	2,732.34
2.	**Current assets**			
	(a) Inventories	6	1,750.15	1,517.09
	(b) Financial assets			
	(i) Investments	2B	719.31	393.83
	(ii) Trade receivables	7	815.94	774.46
	(iii) Cash and cash equivalents	8	227.80	108.17
	(iv) Bank balances other than (iii) above	9	365.17	198.75
	(v) Loans	3	7.46	19.96
	(vi) Others	4	131.08	129.02
	(c) Current tax assets (net)		-	-
	(d) Other current assets	5	163.55	136.51
	(e) Non current assets held for sale		10.46	-
	Total Current assets		4,190.92	3,277.79
	Total Assets		7,466.86	6,010.13
	EQUITY & LIABILITIES			
	Equity			
	(a) Equity share capital	10	25.37	25.37
	(b) Other equity	11	5,497.97	4,727.35
	Total Equity		5,523.34	4,752.72
	Liabilities			
1.	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	12	395.18	9.13
	(ii) Lease Liability	31	10.93	8.25
	(iii) Other financial liabilities	13	-	-
	(b) Provisions	14	40.98	37.29
	(c) Deferred tax liabilities (net)	15	155.14	135.00
	(d) Other non-current liabilities	16	1.99	2.15
	Total Non-current liabilities		604.22	191.82
2.	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	17	365.83	214.07
	(ii) Lease Liability	31	4.47	4.80
	(iii) Trade payables:	18		
	Dues of Micro & small enterprises		72.07	63.65
	Dues of Others		408.34	462.81
	(iv) Other financial liabilities	13	288.75	151.31
	(b) Current tax liabilities (net)	19	15.77	10.87
	(c) Provisions	14	100.62	102.28
	(d) Other current liabilities	16	83.45	55.80
	Total Current liabilities		1,339.30	1,065.59
	Total Equity and Liabilities		7,466.86	6,010.13

Statement of significant accounting policies and other explanatory notes form part of the financial statements.

As per our report of even date attached
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569

Mumbai
May 24, 2022

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Standalone Statement of Profit and Loss for the year ended March 31, 2022

	Particulars	Note Ref.	2021-22 (₹ Crores)		2020-21 (₹ Crores)	
I.	Revenue from operations	20		5,399.36		5,139.16
II.	Other income	21		56.13		62.24
III.	**Total income (I + II)**			5,455.49		5,201.40
IV.	**Expenses:**					
	Cost of materials consumed	22		1,600.98		1,555.53
	Purchase of stock-in-trade	23		282.90		197.68
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24		(120.76)		(170.73)
	Employee benefit expenses	25		1,089.63		948.84
	Finance cost	26		7.21		8.14
	Depreciation & amortisation	27		204.10		187.72
	Other expenses	28		1,303.07		1,094.26
	Total expenses (IV)			4,367.13		3,821.44
V.	**Profit before exceptional items and tax (III-IV)**			1,088.36		1,379.96
VI.	Exceptional items			-		-
VII.	**Profit before tax (V-VI)**			1,088.36		1,379.96
VIII.	Tax expense	29				
	1. Current tax		197.20		244.98	
	2. Short / (excess) provision of taxes for earlier years		0.08		-	
	3. Deferred tax liability / (asset)		20.14	217.42	(5.79)	239.19
IX.	**Profit for the period (VII-VIII)**			870.94		1,140.77
X.	**Other comprehensive income**					
	A (i) Items that will not be reclassified to profit or loss:					
	Actuarial gain/(loss)			1.26		(0.19)
	Fair value change through Other Comprehensive Income			0.15		-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			(0.25)		0.03
	B (i) Items that will be reclassified to profit or loss:					
	Exchange difference in translating the financial statement of foreign operation			(0.54)		(0.36)
	Gain/ (loss) on cash flow hedge			0.54		0.65
	(ii) Income tax relating to items that will be reclassified to profit or loss			-		(0.05)
	Other comprehensive income for the year, net of tax (X)			1.16		0.08
XI.	**Total comprehensive income for the year (IX+X)**			872.10		1,140.85
XII.	Earnings per equity share (Face value of ₹ 1/- each) :	30				
	Basic (in ₹)			34.33		45.04
	Diluted (in ₹)			34.33		45.04

Statement of significant accounting policies and other explanatory notes form part of the financial statements.

As per our report of even date attached
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569

Mumbai
May 24, 2022

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Standalone Cash Flow Statement for the year ended 31st March, 2022

		2021-22 (₹ Crores)		2020-21 (₹ Crores)	
A.	**Cash Flow from Operating Activities**				
1)	**Net profit before taxation**		1,088.36		1,379.96
	Adjustments for :				
	Depreciation, amortisation and impairment expense	204.10		187.72	
	(Profit) / Loss on sale of Property, plant & equipment	(0.31)		-	
	Net (gain)/ loss on financial asset through FVTPL	(2.78)		0.53	
	Property, plant & equipment scrapped/ transferred	11.36		2.86	
	Sundry balances written off/(back)	(3.17)		(1.48)	
	Provision for doubtful debts / advances	0.36		0.25	
	Provision for diminution in value of Investments	39.14		12.68	
	Bad debts written off	0.76		0.62	
	Impairment of Intangible Asset	-		15.84	
	Unrealised foreign exchange (gain) / loss	(10.20)		(17.13)	
	Interest income	(33.59)		(37.53)	
	Interest expense	7.21	212.88	8.14	172.50
2)	**Operating profit before working capital changes**		1,301.24		1,552.46
	Decrease / (Increase) in inventories	(233.07)		(250.13)	
	Decrease / (Increase) in Trade Receivables	(29.05)		78.63	
	Decrease / (Increase) in Other Financial assets	(10.14)		(19.10)	
	Decrease / (Increase) in Other assets	(25.45)		(3.19)	
	Increase / (Decrease) in Trade Payables	(47.72)		71.54	
	Increase / (Decrease) in Other Financial liabilities	47.29		(12.25)	
	Increase / (Decrease) in Other liabilities	27.49		(95.58)	
	Increase / (Decrease) in Provisions	3.28	(267.37)	15.55	(214.53)
3)	**Cash generated from operation**		1,033.87		1,337.93
	Income tax paid (net)		(193.73)		(241.87)
	Net cash from operating activities		840.14		1,096.06
B.	**Cash Flow from Investing Activities**				
	Purchase of Property, plant & equipment including capital Work in progress and Intangible assets	(446.01)		(349.65)	
	Investment in subsidiaries	(57.41)		(28.50)	
	Investment in Associates and Joint Venture	(210.72)		(47.72)	
	Investment in others	(25.04)		-	
	Loan (given)/ recovered- Associates and Joint Venture	59.88		(33.40)	
	Loan (given)/ recovered - subsidiaries	(23.50)		(18.00)	
	Proceeds from Sale of Property,Plant and Equipment	3.18		2.57	
	Movement in other bank balances	(156.03)		(107.22)	
	Interest received	31.76		22.36	
	Net cash from / (used in) investing activities		(823.89)		(559.56)
C.	**Cash Flow from Financing Activities**				
	Issue of Share Capital	-		35.81	
	Increase / (decrease) in short term borrowings	192.25		(160.44)	
	Receipt of long-term borrowings	413.70		-	
	Repayment of long-term borrowings	(66.72)		(68.25)	
	Payment of principal portion of Lease liability	(5.87)		(5.90)	
	Payment of Interest portion of Lease liability	(1.23)		(1.49)	
	Interest paid	(4.58)		(5.58)	
	Dividend & dividend tax paid	(101.45)		(101.53)	
	Net cash from /(used in) financing activities		426.10		(307.38)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)		442.35		229.12
	Cash and cash equivalents at beginning of year		501.19		272.07
	Cash and cash equivalents at end of year		943.54		501.19
	Components of cash & cash equivalents :				
	Cash and cheques on hand		0.35		0.36
	Balance with banks		227.45		107.79
	Mutual Funds	719.31		393.83	
	Add / (Less) : Fair value loss/ (gain) on Mutual funds	(3.57)	715.74	(0.79)	393.04
			943.54		501.19

As per our report of even date attached
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569

Mumbai
May 24, 2022

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Standalone Statement of changes in equity for the year ended March 31, 2022

A. Equity Share Capital

(1) Current reporting period as on 31.03.2022 **(₹ Crores)**

Balance at the beginning of the current reporting period	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 the current reporting period
25.37	-	25.37	-	25.37

(2) Previous reporting period as on 31.03.2021 **(₹ Crores)**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
25.27	-	25.27	0.10	25.37

(Refer Note no.10)

(B) Other equity

(1) Current reporting period as on 31.03.2022

(₹ Crores)

Particulars	Reserves and surplus					Other comprehensive income			Total
	Capital reserve	Securities premium	Other Reserves		Retained earnings	Equity Instruments through OCI**	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operation	
			Capital redemption reserve	General reserve					
Balance at the beginning of the current reporting period (01.04.2021)	6.59	96.52	0.26	1,310.00	3,316.31	-	(0.65)	(1.68)	4,727.35
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period (01.04.2021)	6.59	96.52	0.26	1,310.00	3,316.31	-	(0.65)	(1.68)	4,727.35
Total Comprehensive Income for the year (2021-22):									
I) Profit for the period	-	-	-	-	870.94	-	-	-	870.94
II) Other Comprehensive Income(net of tax)	-	-	-	-	1.04*	0.12	0.45	(0.45)	1.16
III) Total Comprehensive Income (I+II)	-	-	-	-	871.98	0.12	0.45	(0.45)	872.10
Dividends	-	-	-	-	(101.48)	-	-	-	(101.48)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period (31.03.2022)	6.59	96.52	0.26	1,310.00	4,086.81	0.12	(0.20)	(2.13)	5,497.97

* Represents Actuarial Gain/(Loss) on defined benefit obligation (not to be reclassified to P&L).

** Represents fair value of investments through OCI(not to be reclassified to P&L)

IPCA LABORATORIES LIMITED

Standalone Statement of changes in equity for the year ended March 31, 2022

(2) Previous reporting period as on 31.03.2021

(₹ Crores)

Particulars	Reserves and surplus					Other comprehensive income			Total
	Capital reserve	Securities premium	Other Reserves		Retained earnings	Equity Instruments through OCI	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operation	
			Capital redemption reserve	General reserve					
Balance at the beginning of the previous reporting period (01.04.2020)	6.59	48.87	0.26	1,310.00	2,277.18	-	(1.19)	(1.38)	3,640.33
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period (01.04.2020)	6.59	48.87	0.26	1,310.00	2,277.18	-	(1.19)	(1.38)	3,640.33
Total Comprehensive Income for the year (2020-21):									
I) Profit for the period	-	-	-	-	1,140.77	-	-	-	1,140.77
II) Other Comprehensive Income(net of tax)	-	-	-	-	(0.16)*	-	0.54	(0.30)	0.08
III) Total Comprehensive Income (I+II)	-	-	-	-	1,140.61	-	0.54	(0.30)	1,140.85
Dividends	-	-	-	-	(101.48)	-	-	-	(101.48)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Share premium received during the year	-	47.65	-	-	-	-	-	-	47.65
Balance at the end of the previous reporting period (31.03.2021)	6.59	96.52	0.26	1,310.00	3,316.31	-	(0.65)	(1.68)	4,727.35

* Represents Acturial Gain/(Loss) on defined benefit obligation (not to be reclassified to P&L).

Statement of significant accounting policies and other explanatory notes form part of the financial statements.

As per our report of even date attached
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569

Mumbai
May 24, 2022

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Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Standalone Statement of Significant Accounting Policies and Other Explanatory Notes

(A) Corporate Information

Ipca Laboratories Limited (CIN L24239MH1949PLC007837) incorporated in the year 1949, is a integrated pharmaceutical company manufacturing and marketing over 350 formulations and 80 API's covering various therapeutic segments. The products of the Company are sold in over 100 countries across the globe. The Company has 18 manufacturing units in India manufacturing API's and formulations for the world market.

Authorization of Standalone Financial Statements

The Standalone Financial Statements were authorised for issue in accordance with a resolution of the Directors on May 24, 2022.

(B) Basis of Preparation

a) Statement of compliance

The Standalone Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following :

a) certain financial assets and liabilities (including derivative instruments) are measured at fair value, and

b) defined benefit plans - plan assets measured at fair value.

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.

b) Use of Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods .

i. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Defined benefit plans (gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Useful lives of Property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

iv. Impairment of Property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

v. Impairment of investment

For determining whether the investments in subsidiaries, joint venture and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

vi. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

vii. Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

viii. Impairment of Goodwill

The Company estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital and estimated operating margins.

ix. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(C) Significant Accounting Policies

(a) Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle, or
- It is held primarily for the purpose of trading, or

- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, Plant and Equipment

i) Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.

ii) Long-term lease arrangements of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.

iii) Stores and spares which meet the definition of Property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, plant and equipment.

iv) Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the Property, Plant and Equipment of the project proportionately on capitalisation.

v) Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for its intended use.

vi) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

vii) The residual useful life of Property, plant & equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.

viii) Depreciation methods, estimated useful lives and residual value

Depreciation on all assets of the Company is charged on straight line method over the useful life of assets mentioned in Schedule II to the Companies Act, 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows :

Assets	Estimated useful life (Years)
Leasehold land	Period of Lease
Buildings	28 to 58
Roads	3 to 10
Plant and equipment and R&D equipment	9 to 22

Assets	Estimated useful life (Years)
Office and other equipment	5
Computers	3 to 6
Furniture and fixtures	10
Vehicles	6 to 8
Leasehold improvements	Period of Lease

ix) Assets classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Assets are not depreciated or amortised while they are classified as held for sale. Assets classified as held for sale are presented separately from the other assets in the balance sheet.

c) Goodwill

Goodwill represents excess of consideration paid for acquisition of business over the fair value of net assets. Goodwill is not amortised but is tested for impairment at each reporting date.

d) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless product's technological feasibility as well as other related conditions have been established, in which case such expenditures are capitalised. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

The management has estimated the economic useful life for the various intangible assets as follows:

Assets	Estimated useful life (Years)
Brands and trademarks	4
Technical know how	4
Software for internal use	4

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

e) Borrowings

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

f) Impairment of assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Venture and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

g) Inventories

Items of inventories are valued at lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and net realisable value. However materials and other items held for use in the production are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First In First Out basis.
Work-in-process and Finished Goods	At lower of cost (material cost net of refundable taxes, labour cost and all manufacturing overheads) and net realisable value.
Traded Goods	Traded Goods are valued at lower of cost and net realisable value.
Stores and Spares	Stores and spare parts are valued at lower of cost computed on First-in-First-out method and net realisable value.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, estimated shelf life, price changes, introduction of competitive new products and such other related factors.

Cost in case of Raw materials and Packing materials, Stores and Spares and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition.

h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities in the balance sheet.

i) Provisions, contingent liabilities and contingent assets

Provision

A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

j) Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

Gratuity, a post employment defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences

The Company has a policy on compensated absences 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.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia, bonus and performance incentive are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

k) Foreign currencies

Transactions and balances:

i. The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

ii. Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction where the settlement of such transactions are taking place at a later date. The exchange gain/loss on settlement / negotiation during the year is recognised in the Statement of Profit and Loss. In case of advance payment for purchase of assets/ goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

iii. Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the Statement of Profit and Loss.

iv. Non monetary items that are measured at historical cost denominated in foreign currency are translated using exchange rate at the date of transaction.

v. The overseas trading offices are non-integral operations and the overseas non trading offices are integral operations and are accounted accordingly.

l) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

m) Financial instruments

(i) Financial assets & financial liabilities

Initial recognition and measurement

All financial assets and liabilities are recognised initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial instruments

A financial asset is de-recognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(ii) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks, interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the Statement of Profit and Loss.

Cash flow hedge

The company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

n) Investments:

Investments in Subsidiaries / Associates / Joint venture

Investments in Subsidiaries / Associates / Joint venture are carried at cost in the separate financial statements.

Investment in LLP

Investment in LLP is carried at Fair Value through OCI(FVTOCI) in the separate financial statements.

o) Revenue recognition

i) The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns, product expiry claims and discounts.

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

To recognize revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Where Revenue is recognized over time, the amount of revenue is determined on the basis of contract costs incurred in relation to estimated contract expenses.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

ii) In case of export benefits which are in the nature of neutralisation of duties and taxes are grouped under material costs. Other export incentives are grouped under other operating revenue.

iii) Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.

iv) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

v) Dividend from subsidiaries / associates / joint venture is recognised in the Statement of Profit and Loss in separate financial statements when the parent company's right to receive the dividend is established.

p) Taxes

Tax expenses comprise Current Tax and Deferred Tax.

i) Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

iii) MAT credit

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilize the credit is recognised in the Statement of Profit and Loss and corresponding debit is done to the deferred tax asset as unused tax credit.

q) Leases

Company as a lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

r) Earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s) Dividend distribution

Dividend distribution to the Company's equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

t) Share-based payment transactions

Employees Stock Options Plans ("ESOPs"): The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Employee Stock Options Outstanding reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

u) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

The above criteria is also used for recognition of incentives under various scheme notified by the Government. When the grant relates to an asset, the Company deducts such grant amount from the carrying amount of the asset.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

1 Property, Plant & Equipment

(₹ Crores)

Particulars	Freehold land	Long-term Leasehold Land	Building	Plant & equipment	Office & other equipment	Effluent treatment plant	Furniture & fixture	Vehicles	R&D building	R&D equipment	R&D furniture	Total
Gross Block												
As on April 01, 2020	89.44	93.24	538.81	1,520.70	24.03	82.42	53.23	19.10	12.24	128.67	2.73	2,564.61
Additions	0.94	7.08	17.21	192.80	2.28	3.41	2.15	2.27	-	4.99	0.03	233.16
Disposals/Adjustments	(0.58)	(0.86)	(6.91)	(8.85)	(0.15)	(0.17)	(0.06)	(1.49)	-	(0.12)	-	(19.19)
As on March 31, 2021	89.80	99.46	549.11	1,704.65	26.16	85.66	55.32	19.88	12.24	133.54	2.76	2,778.58
Additions	8.08	0.34	102.45	256.69	3.79	20.92	4.85	3.70	0.65	22.11	0.15	423.73
Disposals/Adjustments	(3.23)	-	(6.11)	(20.14)	(0.30)	-	(0.80)	(1.37)	(8.82)	1.30	-	(39.47)
As on March 31, 2022	94.65	99.80	645.45	1,941.20	29.65	106.58	59.37	22.21	4.07	156.95	2.91	3,162.84
Accumulated Depreciation / Amortisation												
As on April 01, 2020	-	6.11	86.36	539.52	17.83	31.21	26.87	12.66	2.54	67.47	1.26	791.83
For the year 2020-21	-	3.14	17.81	118.81	2.12	6.47	5.23	1.63	0.51	13.51	0.26	169.49
Disposals/Adjustments	-	(0.04)	(1.21)	(4.15)	(0.11)	(0.09)	(0.05)	(1.34)	-	(0.05)	-	(7.04)
As on March 31, 2021	-	9.21	102.96	654.18	19.84	37.59	32.05	12.95	3.05	80.93	1.52	954.28
For the year 2021-22	-	3.39	19.05	132.62	2.21	7.04	5.35	1.97	0.44	13.56	0.28	185.91
Disposals/Adjustments	-	-	(1.35)	(9.49)	(0.27)	0.01	(0.51)	(1.24)	(2.27)	0.72	-	(14.40)
As on March 31, 2022	-	12.60	120.66	777.31	21.78	44.64	36.89	13.68	1.22	95.21	1.80	1,125.79
Net Block as on March 31, 2021	89.80	90.25	446.15	1,050.47	6.32	48.07	23.27	6.93	9.19	52.61	1.24	1,824.30
Net Block as on March 31, 2022	94.65	87.20	524.79	1,163.89	7.87	61.94	22.48	8.53	2.85	61.74	1.11	2,037.05

Notes:

1. Buildings include cost of shares in Co-operative societies.

2. The above includes the Company's investments in renewal source of energy for captive consumption. The details are as under :

(₹ Crores)

Particulars	Freehold Land	Building	Equipment	Total
Gross Block				
As on April 01, 2020	1.00	-	17.13	18.13
Additions	0.88	-	17.96	18.84
Disposals/Adjustments	-	-	-	-
As on March 31, 2021	1.88	-	35.09	36.97
Additions	8.08	0.11	0.05	8.24
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	9.96	0.11	35.14	45.21
Accumulated Depreciation/ Amortisation				
As on April 01, 2020	-	-	0.14	0.14
For the year 2020-21	-	-	1.04	1.04
Disposals/Adjustments	-	-	-	-
As on March 31, 2021	-	-	1.18	1.18
For the year 2021-22	-	-	1.52	1.52
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	-	-	2.70	2.70
Net Block as on March 31, 2021	1.88	-	33.91	35.79
Net Block as on March 31, 2022	9.96	0.11	32.44	42.51

3. Additional disclosure in view of amendments to the Schedule III to the Companies Act, 2013 vide Notification dated 24th March, 2021:

(i) Title deeds of Immovable Properties not held in name of the Company as on 31.03.2022

(₹ Crores)

Particulars	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, plant & equipment	Freehold Land	37.90	Noble Explochem Limited	No	22.01.2020	Acquisition under the Insolvency & Bankruptcy Code, 2016. Name transfer work is in progress.
	Leasehold Land	24.50				
	Buildings	10.63				

(ii) Title deeds of Immovable Properties not held in name of the Company as on 31.03.2021

(₹ Crores)

Particulars	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, plant & equipment	Freehold Land	37.90	Noble Explochem Limited	No	22.01.2020	Acquisition under the Insolvency & Bankruptcy Code, 2016. Name transfer work is in progress.
	Leasehold Land	24.50				
	Buildings	9.67				

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

(iii) Capital-Work-in Progress (CWIP) as on 31.03.2022, ageing schedule is as under:

(₹ Crores)

Sr. no.	CWIP	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	244.09	36.69	2.04	-	282.82
2	Projects temporarily suspended	-	-	0.56	1.91	2.47
	Total	244.09	36.69	2.60	1.91	285.29

(iv) Completion Schedule in respect of Capital-Work-in Progress (CWIP) as on 31.03.2022, whose completion is overdue or has exceeded its cost compared to its original plan is as under :-

(₹ Crores)

Sr. no.	CWIP Project details	To be Completed in				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	**Projects in progress:**					
i)	Installation of packing lines at SEZ, Pithampur.	15.87	-	-	-	15.87
ii)	Other Projects: Individual project costing less than Rs. 10 Crores at various manufacturing locations.	45.00	-	-	-	45.00
	Total	60.87	-	-	-	60.87
2	**Projects Temporarily suspended:**					
i)	Various small projects	0.40	2.07	-	-	2.47
	Total	61.27	2.07	-	-	63.34

(v) Capital-Work-in Progress (CWIP) as on 31.03.2021, ageing schedule is as under:

(₹ Crores)

Sr. no.	CWIP	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	159.18	5.97	5.59	7.64	178.38
2	Projects Temporarily suspended	-	0.56	0.16	1.75	2.47
	Total	159.18	6.53	5.75	9.39	180.85

(vi) Completion Schedule in respect of Capital-Work-in Progress (CWIP) as on 31.03.2021, whose completion is overdue or has exceeded its cost compared to its original plan is as under :-

(₹ Crores)

Sr. no.	CWIP Project details	To be Completed in				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	**Projects in progress:**					
i)	Various Projects: Individual project costing less than ₹ 10 Crores at various locations.	16.93	7.24	-	-	24.17
	Total	16.93	7.24	-	-	24.17
2	**Projects Temporarily suspended:**					
i)	Various small projects	-	0.40	2.07	-	2.47
	Total	16.93	7.64	2.07	-	26.64

1A Goodwill :

The Goodwill represents the excess of the consideration paid over the fair value of assets and liabilities of industrial undertaking situated at Mahad and Aurangabad Unit-II. This Goodwill is being tested for impairment at each balance sheet date. The Goodwill relating to Pithampur, which was fully impaired, has been charged off during the year.

(₹ Crores)

Particulars	Amount
Gross Block	
As on April 1, 2020	23.61
Additions	-
Disposals/Adjustments	-
As on March 31, 2021	23.61
Additions	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	7.77
Accumulated Impairment	
As on April 1, 2020	-
For the year 2020-21	15.84
Disposals/Adjustments	-
As on March 31, 2021	15.84
For the year 2021-22	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	-
Net Block as on March 31, 2021	7.77
Net Block as on March 31, 2022	7.77

1B : Other Intangible Assets

(₹ Crores)

Particulars	Software	Brand / Trade Mark	Know-How	Software - R&D	Total
Gross Block					
As on April 1, 2020	38.15	5.90	17.22	3.46	64.73
Additions	10.15	-	-	0.26	10.41
Disposals/Adjustments	-	(0.05)	(4.26)	-	(4.31)
As on March 31, 2021	48.30	5.85	12.96	3.72	70.83
Additions	6.35	-	-	0.63	6.98
Disposals/Adjustments	(2.45)	-	-	-	(2.45)
As on March 31, 2022	52.20	5.85	12.96	4.35	75.36
Accumulated Depreciation / Amortisation					
As on April 1, 2020	28.14	5.44	9.86	2.84	46.28
For the year 2020-21	5.13	-	1.98	0.38	7.49
Disposals/Adjustments	-	-	(4.02)	-	(4.02)
As on March 31, 2021	33.27	5.44	7.82	3.22	49.75
For the year 2021-22	6.16	-	1.87	0.33	8.36
Disposals/Adjustments	(2.45)	-	-	-	(2.45)
As on March 31, 2022	36.98	5.44	9.69	3.55	55.66
Net Block as on March 31, 2021	15.03	0.41	5.14	0.50	21.08
Net Block as on March 31, 2022	15.22	0.41	3.27	0.80	19.70

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Range of remaining period of amortisation as at March 31,2022 of Intangible assets is as below :

(₹ Crores)

Assets	**Range of remaining period of amortisation**			
	< 5 year	**5-10 year**	**>10 year**	**Net Block**
Software	15.22	-	-	15.22
Brand / Trade Mark	0.41	-	-	0.41
Know-How	3.27	-	-	3.27
Software - R&D	0.80	-	-	0.80
Total	19.70	-	-	19.70

Range of remaining period of amortisation as at March 31, 2021 of Intangible assets is as below :

(₹ Crores)

Assets	**Range of remaining period of amortisation**			
	< 5 year	**5-10 year**	**>10 year**	**Net Block**
Software	15.03	-	-	15.03
Brand / Trade Mark	0.41	-	-	0.41
Know-How	5.14	-	-	5.14
Software - R&D	0.50	-	-	0.50
Total	21.08	-	-	21.08

Additional disclosure in view of amendments to the Schedule III to the Companies Act, 2013 vide Notification dated 24th March, 2021:

(i) Intangible assets under development as on 31.03.2022, ageing schedule is as under:

(₹ Crores)

Intangible assets under development	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	2.81	0.13	0.81	-	3.75
Projects Temporarily suspended	-	-	-	-	-
Total	2.81	0.13	0.81	-	3.75

(ii) Completion Schedule in respect of Intangible assets under development as on 31.03.2022, whose completion is overdue or has exceeded its cost compared to its original plan is as under :-

(₹ Crores)

Intangible assets under development	**To be Completed in**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Software installation projects at various locations	0.94	-	-	-	0.94
Total	0.94	-	-	-	0.94

(iii) Intangible assets under development as on 31.03.2021, ageing schedule is as under:

(₹ Crores)

Intangible assets under development	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	0.29	0.83	0.03	-	1.15
Projects Temporarily suspended	-	-	-	-	-
Total	0.29	0.83	0.03	-	1.15

(iv) Completion schedule in respect of Intangible assets under development as on 31.03.2021, whose completion is overdue or has exceeded its cost compared to its original plan is as under :-

(₹ Crores)

Intangible assets under development	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Software installation projects at various locations	0.04	0.81	-	-	0.86
Total	0.04	0.81	-	-	0.86

2 Financial Assets - Investments

Investments in subsidiary / joint venture / associate (at cost)

(₹ Crores)

Sr. no.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Equity instrument in subsidiaries	201.16	130.35
2	Equity instrument in joint venture	6.95	6.84
3	Equity instrument in associates	176.88	111.69
4	Share warrants in associates	-	4.17
5	Preference shares in subsidiaries & associates	373.68	237.47
6	Provision for diminution in the value of equity investments	(55.65)	(16.51)
	Total	703.02	474.01
2A	**Other Non-current investments**		
(i)	Investment in equity	0.04	-
(ii)	Investment in LLP	25.15	-
	Total	25.19	-
2B	**Current Investments**		
	Investment in Mutual fund	719.31	393.83
	Total	719.31	393.83

2 Investment in Subsidiary / Joint Venture / Associate

Sr. no.	Name of the body corporate	Relationship	Face value	Extent of holding (%) No. of shares		(₹ Crores)	
				As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Non-Current Investment							
Investments at cost							
(1)	**Unquoted equity shares**						
i)	**Investment in Equity Instruments (at cost)**						
1	Ipca Pharmaceuticals, Inc. USA	Subsidiary	No Par Value	100.00%	100.00%	9.31	9.31
				1,000	1,000		
2	Ipca Laboratories (U.K.) Ltd.,U.K.	Subsidiary	STG 1	100.00%	100.00%	8.08	8.08
				9,14,186	9,14,186		
3	Ipca Pharma Nigeria Ltd. Nigeria	Subsidiary	Niara 1	100.00%	100.00%	2.82	2.82
				5,15,89,190	5,15,89,190		
4	Ipca Pharma (Australia) Pty Ltd. Australia	Subsidiary	Aus $ 1	100.00%	100.00%	0.17	0.17
				26,944	26,944		
5	Ipca Pharmaceuticals Ltd. SA de CV. Mexico	Subsidiary	No Par Value	100.00%	100.00%	1.15	1.15
6	Tonira Exports Limited	Subsidiary	₹ 10	100.00%	100.00%	0.10	0.10
				1,00,000	1,00,000		
7	Ramdev Chemical Pvt. Ltd.	Subsidiary	₹ 10	100.00%	100.00%	108.72	108.72
				5,00,000	5,00,000		
8	Avik Pharmaceutical Ltd.	Joint Venture	₹ 100	50.00%	48.99%	6.95	6.84
				5,44,000	5,33,000		

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Sr. no.	Name of the body corporate	Relationship	Face value	Extent of holding (%) No. of shares		(₹ Crores)	
				As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
9	CCPL Software Pvt. Ltd. #	Associate	₹ 100	28.95%	28.95%	-	-
				55,000	55,000		
10	Trophic Wellness Pvt. Ltd.	Subsidiary (Associate upto 11th June, 2021)	₹ 10	52.35%	39.26%	70.81	49.61
				21,20,000	15,90,000		
	Total (i)					208.11	186.80
ii)	**Investment in preference shares (at cost)**						
1	Ipca Laboratories (U.K.) Ltd.,U.K.##	Subsidiary	STG 1	100.00%	100.00%	10.26	10.26
				10,00,000	10,00,000		
2	Ipca Pharmaceuticals,Inc., USA##	Subsidiary	$1000	100.00%	100.00%	233.42	197.21
				33,350	28,450		
3	Krebs Biochemicals & Industries Ltd. (9% Non convertible, Redeemable & Non Cumulative Preference share)	Associate	₹ 100	100.00%	100.00%	130.00	30.00
				1,30,00,000	30,00,000		
	Total (ii)					373.68	237.47
iii)	**Investment in convertible Share Warrants (partly paid) (at cost)**						
1	Krebs Biochemicals & Industries Ltd.	Associate	₹ 10	-	19,40,000	-	4.17
	Total (iii)					-	4.17
	Total unquoted investments (i+ii+iii)					581.79	428.44
(2)	**Quoted equity shares**						
	Investment in equity instruments (at cost)						
1	Krebs Biochemicals & Industries Ltd.	Associate	₹ 10	49.65%	44.67%	78.77	62.08
				1,07,05,195	87,65,195		
2	Lyka Labs Ltd. (w.e.f 24th November 2021)	Associates	₹ 10	26.58%	-	98.11	-
				76,24,923	-		
	Total quoted investments					176.88	62.08
	Total investments (1+2)					758.67	490.52
	Less : Provision for diminution in value in equity shares(refer table (iv) below)					(55.65)	(16.51)
	Total non-current investments at cost (net of provision)					703.02	474.01

Cost fully written off in books.

Redeemable Preference Shares redeemable at the option of issuer.

iv) Provision for diminution in the value of Investments till date in shares in respect of the above companies is as follows:-

(₹ Crores)

Sr. no.	Name of the Body Corporate	Relationship	As at March 31, 2022	As at March 31, 2021
1	Ipca Pharmaceuticals Inc., USA - equity shares	Subsidiary	2.68	2.68
2	Ipca Pharmaceuticals Ltd. SA de CV. Mexico	Subsidiary	1.15	1.15
3	Krebs Biochemicals & Industries Ltd.	Associate	51.82	12.68
	Total		55.65	16.51

v) Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate book value of quoted investments	176.88	62.08
Aggregate market value of quoted investments	256.91	77.88
Aggregate book value of unquoted investments	581.79	428.44

vi) Details of investments in subsidiary / joint venture / associate at cost

a) Ipca Pharmaceuticals, Inc. USA

This wholly owned subsidiary company was incorporated under the laws of the State of New Jersey in the United States on July 10, 2003. This subsidiary company is coordinating the development and registration of formulations developed by the Company in United States of America as well as distribution of Active Pharmaceutical Ingredients (APIs) manufactured by the Company in the US market. During the year 2017-18, this subsidiary acquired 90% Share capital of Pisgah Laboratories Inc. USA. Further, during the year 2018-19, this subsidiary has acquired 80% units of Bayshore Pharmaceuticals LLC, a New Jersey limited liability company (Bayshore). During the year, this subsidiary has acquired the remaining 20% share capital of Bayshore and with this acquisition, Bayshore is now wholly owned by Ipca Pharmaceuticals Inc., USA.

b) Ipca Laboratories (U.K.) Ltd.,U.K.

During the financial year 2003-04, the Company incorporated this wholly owned subsidiary to apply and obtain product registrations in the United Kingdom. During the year 2011-12, this subsidiary acquired 100% share capital of Onyx Research Chemicals Ltd., holding company of Onyx Scientific Ltd. During the year 2015-16, Onyx Research Chemicals Ltd., UK merged with its holding company Ipca Laboratories (UK) Ltd. and consequent to this, Onyx Scientific Ltd. has became wholly owned subsidiary of this Company. During the year 2018-19, Onyx Scientific Ltd. has acquired 10% share capital of Pisgah Laboratories Inc. USA.

c) Ipca Pharma Nigeria Ltd. Nigeria

During the year 2006-07, the Company acquired the entire share capital of Ipca Pharma Nigeria Ltd. Thus, Ipca Pharma Nigeria Ltd. became wholly owned subsidiary of the Company with effect from January 31, 2007. The Company was incorporated as a private company in Nigeria. It commenced commercial operations in December 2001. It is engaged in importation and marketing of formulations and APIs in the Nigerian market.

d) Ipca Pharma (Australia) Pty Ltd. Australia

This subsidiary company was acquired by the Company in the year 2007-08 and is engaged in the activities of holding formulations dossier registrations with TGA, Australia and sale of pharmaceuticals manufactured by the Company in Australia. This subsidiary company has a wholly owned subsidiary in New Zealand - Ipca Pharma (NZ) Pty Ltd.

e) Ipca Pharma (NZ) Pty Ltd., New Zealand

During the year 2007-08, the Company was incorporated to hold formulation dossier registrations in New Zealand and to distribute formulations manufactured by the Company in the New Zealand market. This company is wholly owned subsidiary of Ipca Pharma (Australia) Pty Ltd.

f) Ipca Pharmaceuticals Ltd. SA de CV. Mexico

This subsidiary Company was setup during the year 2008-09 as wholly owned subsidiary of the Company to hold formulations dossier registrations and promotion of pharmaceuticals manufactured by the Company in the Mexican market. This Company is currently in the process of being closed down subject to required approval.

g) Tonira Exports Limited, India

Tonira Exports Ltd. was incorporated as a wholly owned subsidiary of Tonira Pharma Ltd. The Company acquired management control of Tonira Pharma Ltd. in May 2008. Upon merger of Tonira Pharma Ltd. with the Company in the year 2011-12, Tonira Exports Ltd. has become wholly owned subsidiary of the Company. This Company is presently not into any business.

h) Avik Pharmaceutical Ltd., India

During the year 2013-14 the Company had acquired 49.02% of shares in Avik Pharmaceutical Ltd. Avik is manufacturing APIs, primarily Cortico Steroids and Hormones since 1980. Avik is pioneer in the manufacturing of steroids in India. Avik's two manufacturing facilities are located at Vapi, Gujarat. During the year 2018-19, the Company has been allotted 33,000 shares under right issue. Further, during the current year 2021-22, the Company has acquired additional 11,000 shares. Now Company's holding in Avik Pharma is 50.00%.

i) Trophic Wellness Pvt. Ltd., India

Trophic Wellness Pvt. Ltd. was incorporated in 2010 and is headquartered in Mumbai, India. The Company has acquired shareholding to the extent of 19.26% during the year 2010-11 & additional 20% during the year 2020-21 in Trophic Wellness Pvt. Ltd. Trophic Wellness Pvt. Ltd. is engaged in the manufacturing and marketing of nutraceuticals with its manufacturing unit situated in Sikkim. During the year Company has acquired additional shareholding to the extent of 13.09%. Now Company's holding in Trophic is 52.35%. Also, w.e.f 11th June 2021, the status of Trophic Wellness Private Limited is changed from Associate to Subsidiary.

j) Krebs Biochemicals & Industries Ltd., India

Krebs Biochemicals and Industries Ltd. was established in 1991. During the financial year 2014-15, Krebs Biochemicals and Industries Ltd. became an associate company. Krebs undertakes both contract manufacturing and develops products for sale

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

in global markets. Krebs is listed on NSE and BSE and is headquartered in Vishakhapatnam, India with manufacturing plants in Nellore and Vizag. Expertise and infrastructure in the areas of chemical synthesis, fermentation and enzymatic technologies along with a focus on cost and quality makes Krebs a logical partner of the Company for the development and supply of products made using one or more of these technologies.

Equity Shares - During the year 2019-20 company has been allotted 13,70,000 equity shares resulting into increase in holding to the extent of 44.67%. Further, during the current year 2021-22, the company has been allotted 19,40,000 shares upon conversion of share warrants. Now Company's holding in Krebs is 49.65%.

Preference Shares - During the year 2019-20 Company has been allotted 30,00,000, 9% preference shares (non convertible, redeemable & non cumulative) of ₹100/- each. Further, during the current Year 2021-22 company has been allotted 1,00,00,000, 9% preference shares (non convertible, redeemable & non cumulative) of ₹ 100/- each. Now company has 1,30,00,000, 9% preference shares (non convertible, redeemable & non cumulative) of ₹ 100/- each.

k) Ramdev Chemical Pvt. Ltd., India

Ramdev Chemical Pvt. Ltd. was established in 1999. During the year 2019-20, the Company has acquired 100% shareholding in Ramdev Chemical Pvt. Ltd. Ramdev Chemical Pvt. Ltd. is engaged in the manufacturing and marketing of drug intermediates and Active Pharmaceutical Ingredients (API's) with its manufacturing unit situated in Tarapur, Boisar, Dist. Palghar (Maharashtra).

l) Lyka Labs Limited, India

Lyka Labs Limited was incorporated in 1976. During the year, the company has acquired 26.58% shareholding of Lyka. Lyka Labs Limited is engaged in the business of manufacturing and marketing of injectables, lyophilized injectables and topical formulations. Lyka's Manufacturing facility is situated at Ankleshwar, Gujarat. Lyka's shares are listed at BSE & NSE. The company has entered into a joint management control agreement with the promoters of the said company and the company is in process of appointing its nominee as a director of Lyka Labs Limited.

m) Disclosure as per Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

During the year, the Company has invested in Redeemable Preference Shares of Ipca Pharmaceuticals, Inc. USA (Ipca USA), a wholly owned subsidiary (WOS) aggregating to US$ 49,00,000 (₹ 36.21 crores). Such investment was made to enable the additional funding to its step down WOSs viz. Bayshore Pharmaceuticals LLC, USA (Bayshore) and Pisgah Laboratories Inc., USA (Pisgah). Subsequent to above investments, Ipca USA has increased its stake in Equity shares of Bayshore by US$ 12,00,000 and has also extended loan of US$ 20,00,000 to said WOS. Ipca USA also invested in Redeemable Preference Shares of Pisgah aggregating to US$ 17,00,000. Other than these transactions, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

n) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding party") with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (ultimate beneficiaries); or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

2A Other Long term Investments

Sr. no.	Name of the body corporate	Face Value	No. Of Shares		(₹ Crores)	
			As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(i)	**Investments at fair value through P&L (fully paid)**					
Unquoted equity shares						
1	Gujarat Industrial Co-Op Bank Ltd.	₹ 50	140	140	-	-
2	Narmada Clean Tech	₹ 10	35,000	35,000	0.04	-
3	BEIL Infrastructure Ltd. #	₹ 10	1,134	1,134	-	-
Total					0.04	-

Value of shares ₹ 11,340/-

(ii) Investments at fair value through OCI (Unquoted)

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in ABCD Technologies LLP (refer note below)	25.15	-
Total	25.15	-

Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate book value of unquoted investments	25.19	-

Note: Investment in ABCD Technologies LLP :

During the year the company has made a strategic investment of ₹ 25 crores in ABCD Technologies LLP. ABCD Technologies LLP will, through its investment entities, engage in the objective of digitizing health care infrastructure in India. The investment is accounted as Fair Value through other comprehensive income (FVTOCI) as per Company's election in accordance with Ind AS 109- Financial Instruments. The Company has a 4.03% share of profit/loss and voting rights. Pursuant to limited liability partnership agreement, the contribution made by the Company has a lock-in period of 3 years from the date of investment till April 30, 2024.

2B Current Investments

Sr. no.	Name of the mutual fund scheme	No. Of Units		(₹ Crores)	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Quoted investments					
Investments at fair value through P&L (fully paid)					
A.	**Investments in Mutual Fund**				
	ICICI Prudential Liquid Fund- Growth	-	3,09,859	-	9.39
	Aditya Birla Sun Life Liquid Fund- Regular - Growth	44,73,764	39,19,138	152.30	129.06
	Kotak Liquid Scheme - Growth	64,798	3,94,714	27.73	163.44
	Nippon India Liquid Fund-Growth	1,35,045	1,00,268	69.74	50.11
	INVESCO India Liquid Fund- Growth	68,874	1,48,865	20.01	41.83
	Aditya Birla Sun Life Savings Fund - Direct - Growth	3,58,979	-	15.99	-
	Aditya Birla Sun Life Money Manager Fund-Direct -Growth	2,46,094	-	7.36	-
	Aditya Birla Sun Life Low Duration Fund-Direct -Growth	6,07,786	-	35.15	-
	Axis Money Market Fund-Direct -Growth	1,43,584	-	16.54	-
	HDFC Money Market Fund-Direct -Growth	80,903	-	37.66	-
	ICICI Prudential Money Market Fund-Direct-Growth	10,75,433	-	33.00	-
	Kotak FMP Series 294 - Direct - Growth	4,99,97,500	-	50.04	-
	Kotak Money Market Fund-Direct - Growth	1,68,598	-	61.04	-
	L&T Overnight Fund - Growth	63,382	-	10.00	-
	Nippon India Low Duration Fund -Direct-Growth	1,10,797	-	35.11	-
	Nippon India Money Market Fund-Direct-Growth	1,59,353	-	53.39	-
	Nippon India Quarterly Interval Fund - Series 3 - Direct - Growth	1,73,87,008	-	30.08	-
	SBI Liquid Fund - Growth	18,204	-	6.03	-
	SBI Fixed Maturity Plan (FMP)- Series 62 (191 Days) - Regular - Growth	1,49,99,250	-	15.00	-
	Tata Liquid Fund - Growth	45,016	-	15.00	-
	Tata Money Market Fund-Direct-Growth	73,558	-	28.14	-
	Total Current Investments			719.31	393.83

Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate book value of quoted investments	719.31	393.83
Aggregate market value of quoted investments	719.31	393.83

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Details of loans given/(recovered), investments made, guarantee given and security provided covered under section 186(4) of the Companies Act, 2013 are given hereunder:

(₹ Crores)

Sr. no.	Name of the party	Nature	Relation	Purpose	2021-22	2020-21
1	Ipca Pharmaceuticals, Inc (USA)	Investment	Subsidiary	Preference Share contribution	36.21	28.50
2	Ramdev Chemical Pvt. Ltd.	Loan	Subsidiary	Loan given for Working capital	23.50	18.00
3	Krebs Biochemicals & Industries Ltd.	Loan	Associate	Loan given for business purpose	24.95	55.00
4	Krebs Biochemicals & Industries Ltd.	Loan	Associate	Refund of Loan	(89.42)	(21.00)
5	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Equity Share Contribution	16.68	13.93
6	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Conversion of Share warrant into Equity Shares	(4.17)	(3.48)
7	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Preference Share contribution	100.00	-
8	Trophic Wellness Pvt. Ltd.	Investment	Subsidiary	Equity Share contribution	21.20	37.27
9	Avik Pharmaceutical Ltd.	Investment	Joint Venture	Equity Share contribution	0.11	-
10	Avik Pharmaceutical Ltd.	Loan	Joint Venture	Refund of Loan	(0.40)	-
11	Lyka Labs Ltd.	Investment	Associate	Equity Share contribution	98.11	-
12	Lyka Labs Ltd.	Loan	Associate	Loan for business purpose	5.00	-
13	Makers Laboratories Ltd.	Loan	Related Party	Loan given for business purpose	6.40	-
14	Other non-related corporate body	Loan	Other non-related corporate body	Loan given	35.00	-
15	Other non-related corporate body	Loan	Other non-related corporate body	Refund of Loan	(35.00)	-
	Total				238.17	128.22

The disclosure under section 186(4) of the Act is made at transaction value before Ind AS effects.

3 Financial Assets - Loans (Unsecured)

(₹ Crores)

Sr. no.	Particulars	As at March 31, 2022		As at March 31, 2021	
		Non Current	Current	Non Current	Current
(a)	Loans to related parties - considered good	63.28	6.40	80.65	19.00
(b)	Others:				
	Loans given to employees- considered good	0.60	1.06	0.66	0.96
	Total	63.88	7.46	81.31	19.96

Note: No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Disclosures:

a) Details of loans and advances in the nature of loan to subsidiaries, associates etc. as required under Schedule V(A)(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

(₹ Crores)

Sr. No.	Name of the company and relationship	Balance as at March 31, 2022	Maximum outstanding during the year 2021-22	Balance as at March 31, 2021	Maximum outstanding during the year 2020-21
i)	Krebs Biochemicals & Industries Ltd. - Associate	2.00	79.93	66.47	66.47
ii)	Avik Pharmaceutical Ltd. - Joint Venture	13.78	14.18	14.18	14.78
iii)	Ramdev Chemical Pvt. Ltd.-Subsidiary	42.50	42.50	19.00	19.00
iv)	Makers Laboratories Ltd.- Related Party	6.40	6.40	-	-
v)	Lyka Labs Ltd.- Associate	5.00	5.00	-	-
	Total	69.68	148.01	99.65	100.25

b) Investment by the loanee in the shares of the Company:

None of the loanees have, per se , made investments in the shares of the Company.

c) Loans or Advances in the nature of loans which are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment are as under :

(₹ Crores)

Type of Borrower	As on 31.03.2022		As on 31.03.2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	13.78	19.32%	14.18	14.00%

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

4 Financial Assets - Others

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non current	Current	Non Current	Current
Deposits:				
Considered good				
- With related party	45.00	-	45.00	-
- With others	9.75	1.06	12.64	0.96
Which have significant increase in Credit Risk	-	-	-	-
	54.75	1.06	57.64	0.96
Less : Allowance for doubtful deposits	-	-	-	-
	54.75	1.06	57.64	0.96
Advances to employees				
- Considered good	-	0.92	-	0.54
- Credit impaired	-	0.45	-	0.33
	-	1.37	-	0.87
Less : Allowances on advances	-	(0.45)	-	(0.33)
	-	0.92	-	0.54
Deposit with others	0.69	-	0.78	-
Other income receivables	5.03	9.81	5.00	11.91
Claim receivables	-	45.48	-	7.84
Duties and Taxes Refundable	0.43	42.92	1.11	77.83
Unbilled revenue	-	7.22	-	3.94
Forward contract gain receivable	-	12.67	-	15.00
Term deposits with*:				
- Banks/NBFC	7.91	11.00	17.30	11.00
Total	68.81	131.08	81.83	129.02

* Term deposit of ₹ 11.00 crores (previous year ₹ 11.00 crores) has been provided as security by way of lien with RBL Bank (previous year with Bajaj Finance Limited) towards short term credit facility availed by Krebs Biochemicals & Industries Ltd., an associate company. All other term deposits are lying with government authorities and / or as margin for guarantees issued by banks to various authorities.

5 Other Non-Financial Assets

(₹ Crores)

	Particulars	As at March 31, 2022		As at March 31, 2021	
		Non current	Current	Non Current	Current
(i)	Capital advances (Unsecured, considered good)	38.93	-	41.27	-
(ii)	Prepaid expenses	1.73	15.71	1.95	16.65
(iii)	Deposits with Govt. departments				
	- Considered good	-	8.37	-	3.11
(iv)	Unutilised Indirect tax credit	-	90.46	-	76.17
(v)	Advance to suppliers	-	27.20	-	15.69
(vi)	Export benefits receivables	-	17.17	-	19.77
(vii)	Advances to employees	-	2.73	-	3.11
(viii)	Others	0.01	1.91	0.03	2.01
(ix)	Prepaid taxes (net of provisions)	0.55	-	1.34	-
	Total	41.22	163.55	44.59	136.51

Note: No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

6 Inventories

(₹ Crores)

	Particulars	As at March 31, 2022		As at March 31, 2021	
i)	Raw materials				
	In hand	531.15		467.89	
	In transit	134.71	665.86	99.93	567.82
ii)	Packing materials				
	In hand	48.89		37.52	
	In transit	-	48.89	0.13	37.65
iii)	Work-in-progress		339.38		336.53
iv)	Finished goods				
	In hand				
	Own	543.87		459.66	
	Traded	76.81	620.68	57.55	517.21
	In transit				
	Own	36.94		27.26	
	Traded	2.05	38.99	1.85	29.11
v)	Stores, spares and others		36.35		28.77
	Total		1,750.15		1,517.09

All the above inventory other than stores & spares are hypothecated to the lenders as security towards short-term borrowings.

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

(₹ Crores)

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Amount of inventories recognised as an expense during the period	1,822.44	1,630.06
(ii)	Amount of write - down of inventories recognised as an expense during the period	5.92	6.17
	Total	1,828.36	1,636.23

7 Financial Assets - Trade Receivables (Unsecured)

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Considered good	815.94	774.46
Which have significant increase in Credit Risk	0.85	0.76
Credit impaired	0.34	0.16
	817.13	775.38
Less: Allowance for doubtful trade receivable	(1.19)	(0.92)
Total	815.94	774.46

Note: No amount is due from any of the Directors or Officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analyzed. The Company estimates the following matrix at the reporting date which is calculated on overdue amounts.

Particulars	As at March 31, 2022	As at March 31, 2021
Default rate - local	0.57%	0.57%
Default rate - export	0.57%	0.62%

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Movement in the expected credit loss allowance

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	(0.76)	(0.93)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit	(0.09)	0.17
Provision at the end of the period	(0.85)	(0.76)

Trade Receivables as on 31.03.2022, ageing schedule is as under :-

(₹ Crores)

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	668.84	138.70	5.38	2.05	0.97	-	815.94
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.80	0.03	0.01	0.01	-	0.85
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.06	-	-	0.06
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.12	0.06	0.10	0.28
	668.84	139.50	5.41	2.24	1.04	0.10	817.13
Less : Allowance for credit losses							(1.19)
Total Trade Receivables							815.94

Trade Receivables as on 31.03.2021, ageing schedule is as under :-

(₹ Crores)

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	650.42	94.88	28.14	1.01	0.01	-	774.46
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.58	0.17	0.01	-	-	0.76
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.06	-	0.10	0.16
	650.42	95.46	28.31	1.08	0.01	0.10	775.38
Less : Allowance for credit losses							(0.92)
Total Trade Receivables							774.46

8 Financial Assets - Cash & Cash Equivalents

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
In Current Accounts	24.45	47.81
Deposit with original maturity of less than three months	203.00	60.00
Cash on hand	0.35	0.36
Total	227.80	108.17

Note: Balance with bank in current account as on March 31, 2022 includes balance with one bank account of erstwhile Noble Explochem Limited aggregating to ₹ 18,768/- (previous year ₹94,597/-) where change of account name in Company's name is in process. Further,₹ 3,593/- (previous year ₹ 46,408/-) is lying in bank A/C - "CIRP Account Noble Explochem Limited" opened by Resolution Professional now operated by the Company.

9 Financial Assets - Bank balances other than (8) above

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend accounts	1.29	1.26
Balances with banks:		
Fixed Deposit with Bank	363.88	197.49
Total	365.17	198.75

10 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Authorised Capital				
Equity shares of ₹ 1 each (Previous year ₹2 each)	57,00,00,000	57.00	28,50,00,000	57.00
Issued, Subscribed and Paid up Capital				
Equity shares of ₹ 1 each (Previous year ₹2 each)	25,62,66,408	25.63	12,81,33,204	25.63
Paid up equity shares of ₹ 1 each (Previous year ₹2 each) (Refer Note no. 10(v) below)	25,37,04,218	25.37	12,68,52,109	25.37
Total		25.37		25.37

Disclosures:

i) Reconciliation of Shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Shares outstanding at the beginning of the year (Face value of ₹ 2 each)	12,68,52,109	25.37	12,63,52,109	25.27
Equity Shares issued during the year pursuant to conversion of share warrants	-	-	5,00,000	0.10
Increase in Equity shares on sub-division of 1 (one) equity share of face value of ₹ 2/- each into 2 (two) equity shares of face value of ₹ 1/- each (Refer note 10(v) below)	12,68,52,109	-	-	-
Shares outstanding at the end of the year	25,37,04,218	25.37	12,68,52,109	25.37

ii) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held (Face value of ₹ 1 each)	%	Number of shares held (Face value of ₹ 2 each)	%
Kaygee Investments Private Limited	5,44,78,390	21.47%	2,72,39,195	21.47%
Kaygee Laboratories Private Limited	1,67,70,000	6.61%	83,85,000	6.61%
Chandurkar Investments Private Limited	1,39,56,010	5.50%	69,78,005	5.50%
DSP Mid Cap Fund	1,30,20,120	5.13%	56,37,555	4.44%

iii) Rights and obligations of shareholders

The Company has only one class of share referred as equity shares having a par value of ₹ 1/- (previous year ₹2/-) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend is recommended by management which is subject to shareholders' approval at the Annual General Meeting.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

iv) Shareholding of promoters is as under:-

Sr. No.	Promoter name	Shares held by promoters at the end of the year 31.03.2022 (Face value of ₹ 1 each)			Shares held by promoters at the end of the year 31.03.2021 (Face value of ₹ 2 each)		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
1	Kaygee Investments Pvt. Ltd.	5,44,78,390	21.47%	-	2,72,39,195	21.47%	0.82%
2	Chandurkar Investments Pvt. Ltd.	1,39,56,010	5.50%	-	69,78,005	5.50%	-
3	Kaygee Laboratories Pvt. Ltd.	1,67,70,000	6.61%	-	83,85,000	6.61%	0.77%
4	Paschim Chemicals Pvt. Ltd.	1,01,38,000	4.00%	-	50,69,000	4.00%	0.80%
5	Paranthapa Investments and Traders Pvt. Ltd.	31,000	0.01%	-	15,500	0.01%	-
6	Makers Laboratories Ltd.	960	0.00%	-	480	0.00%	-99.53%
7	M. R. Chandurkar	43,02,000	1.70%	-	21,51,000	1.70%	-
8	Usha M. Chandurkar	40,00,000	1.58%	-	20,00,000	1.58%	-
9	Sameer M. Chandurkar	20,00,000	0.79%	-	10,00,000	0.79%	-
10	Premchand Godha	58,14,680	2.29%	-	29,07,340	2.29%	8.43%
11	Usha P. Godha	24,18,740	0.95%	-	12,09,370	0.95%	-
12	Prashant Godha	15,68,644	0.62%	-	7,84,322	0.62%	3.29%
13	Pranay Godha	17,00,990	0.67%	-	8,50,495	0.67%	3.03%
14	Kalpana Jain	2,30,000	0.09%	-	1,15,000	0.09%	-
15	Bhawna Godha	5,000	0.00%	-	2,500	0.00%	-
16	Neetu Godha	4,000	0.00%	-	2,000	0.00%	-
17	Nirmal Jain	-	0.00%	-	-	0.00%	-
18	Mexin Medicaments Pvt. Ltd.	14,058	0.01%	-	7,029	0.01%	-
	Total	11,74,32,472	46.29 %		5,87,16,236	46.29%	

v) Pursuant to the approval of the shareholders accorded in the Extraordinary General Meeting (EGM) of the Company held on December 16, 2021, each equity share of face value of ₹ 2/- (Two) per share was subdivided into two equity shares of face value of ₹ 1/- (One) per share, with effect from January 11, 2022.

10A Share Warrants

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Share Warrants outstanding at the beginning of the year	-	11.94
Amount received during the year	-	-
Issue of equity shares on conversion of share warrants	-	(11.94)
Share Warrants outstanding at the end of the year	-	-

11 Other Equity

(₹ Crores)

	Particulars	As at March 31, 2022		As at March 31, 2021	
(a)	Capital Reserve		6.59		6.59
(b)	Securities Premium		96.52		96.52
(c)	Capital Redemption Reserve		0.26		0.26
(d)	General Reserve		1,310.00		1,310.00
(e)	Retained Earnings		4,086.81		3,316.31
(f)	OCI Reserve				
	- Fair Value of Investments through OCI	0.12		-	
	- Cash flow hedging reserve	(0.20)		(0.65)	
	- Foreign currency translation reserve	(2.13)	(2.21)	(1.68)	(2.33)
	Total		5,497.97		4,727.35

The Board of Directors, at its meeting held on November 13, 2021, had declared an interim dividend of ₹ 8/- per equity share of ₹ 2/- each. It resulted in an outflow of ₹ 101.48 crores.

Nature and purpose of each reserve

Capital Reserve

During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve

The Company has recognised Capital Redemption Reserve on buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

Retained Earnings

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments on account of transition to Ind AS.

Effective portion of cash flow hedges

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basic adjustment to the non-financial hedged item.

Other items of OCI

This reserve represents exchange differences arising on account of conversion of foreign operations to Company's functional currency and fair value of investments.

12 Financial Liabilities - Borrowings

a) Long-term Borrowings - Secured

(₹ Crores)

Particulars		Non - current portion as at		Current Maturities as at (read with note no.17)	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
i.	Foreign currency term loan	22.74	9.13	9.47	52.89
ii.	Rupee Term Loan	372.44	-	18.78	-
Total (a)		395.18	9.13	28.25	52.89

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Details of above:-

(₹ Crores)

Sr. No.	Name of the Instruments/ Institutions	Non - current portion as at		Current Maturities as at	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
i.	**Foreign currency term loans**				
1	ECB-JP Morgan Chase Bank, Singapore	22.74	-	-	-
2	Citibank N.A., Jersey	-	9.13	9.47	9.14
3	HSBC Bank Mauritius Ltd.	-	-	-	43.75
ii.	**Rupee Term Loan**				
1	HDFC Bank Ltd.	372.44	-	18.78	-
Total (a)		395.18	9.13	28.25	52.89

b) Long-term Borrowings - Unsecured

(i)	ECB-HSBC Bank Mauritius Ltd.	-	-	-	13.71
	Total (b)	-	-	-	13.71
Total (a+b)		395.18	9.13	28.25	66.60

c) Details of securities and repayment terms of secured loans stated above

(i) Foreign Currency Term Loans (Secured)

1 JP Morgan Chase Bank, Singapore

This facility is to be secured by way of an exclusive charge on Solar and Wind projects of the company. The bank is in the process of executing relevant documents.

Repayable in 16 quarterly installments starting from May 23, 2023.

2 Citibank N.A., Jersey

Secured by first pari-passu charge over movable assets of the Company except assets at Unit - II at Sikkim plant and specific machines at Athal and Ratlam which are financed under buyer's credit.

Repayable in 16 equal quarterly installments from June 15, 2019.

3 HSBC Bank Mauritius Ltd.

Secured by first pari-passu charge over current and future movable fixed assets of the Company except assets at Baroda.

Repayable in 11 half yearly un-equal installments from December 08, 2016.

(ii) Rupee Term Loan (Secured)

1 HDFC Bank Ltd.

Secured by first pari-passu charge over current and future movable fixed assets of the Company except solar and wind projects. Repayable in 20 quarterly un-equal installments from June 14, 2022.

Unsecured Long Term Borrowing

1 ECB-HSBC Bank Mauritius Ltd. (Unsecured)

Availed for refinancing of ECB of Standard Chartered Bank - London.

Repayable in 16 quarterly equal installments from August 16, 2019.

d) Maturity profile of borrowings is as per the original sanction terms without Ind AS effects.

(₹ Crores)

Particulars	March 31, 2022	March 31, 2021
Installment payable between 1 to 2 years	197.59	9.14
Installment payable between 2 to 5 years	197.59	-
Installment payable beyond 5 years	-	-
Total	395.18	9.14

e) The long-term loans other than non convertible debentures are taken at the following rates.

Particulars	As at March 31, 2022	As at March 31, 2021
	Interest Band	
Rupee Term Loan	3 months TBILL + 0.94%	None
Foreign currency loan	3 Month Term SOFR + 0.60% to 0.90%	3 Month Libor + 0.60% to 0.90%

13 Other Financial Liabilities

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Deposits from customers	-	1.19	-	0.91
Interest accrued but not due on borrowings	-	0.86	-	0.13
Unpaid dividends	-	1.29	-	1.26
Amount payable on hedging transactions	-	-	-	0.56
Payable for capital goods	-	121.71	-	32.32
Other payables	-	163.70	-	116.13
Total	-	288.75	-	151.31

14 Provisions

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Gratuity	-	1.54	-	1.31
Provision for leave encashment	40.98	6.11	37.29	5.54
Other employee related provision	-	2.22	-	12.76
Provision for breakage/damage	-	6.15	-	6.51
Provision for product expiry	-	71.50	-	62.22
Provision for sales return	-	13.10	-	13.94
Total	40.98	100.62	37.29	102.28

The disclosure of provisions movement as required by Ind AS 37 is as follows:-

Particulars		2021-22	2020-21
(i)	**Provision for breakage/damage**		
	Balance at the beginning of the period	6.51	3.32
	Provisions made during the period	8.06	8.53
	Utilisations during the period	(8.42)	(5.34)
	Provision at the end of the period	6.15	6.51
(ii)	**Provision for product expiry**		
	Balance at the beginning of the period	62.22	59.85
	Provisions made during the period	51.68	42.50
	Utilisations during the period	(42.40)	(40.13)
	Provision at the end of the period	71.50	62.22
(iii)	**Provision for sales return**		
	Balance at the beginning of the period	13.94	14.82
	Provisions made during the period	36.07	32.89
	Utilisations during the period	(36.91)	(33.77)
	Provision at the end of the period	13.10	13.94

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Particulars		2021-22	2020-21
(iv)	**Provision for wage arrears under negotiation**		
	Balance at the beginning of the period	12.76	3.41
	Provisions made during the period	0.39	9.35
	Utilisations during the period	(10.93)	-
	Provision at the end of the period	2.22	12.76

14.1 Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.

Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

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.

Market risk (discount risk)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. 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.

Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

Actuarial risk

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the obligation at a rate that is higher than expected.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet.

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Expense recognised in Statement of Profit & Loss		
Current service cost	9.97	9.23
Interest expense	5.57	5.01
Expected return on plan assets	(6.00)	(4.75)
Total	9.54	9.49
Expense recognised in Other Comprehensive Income		
Return on plan assets (greater)/Less than discount Rate	(1.11)	(0.32)
Actuarial (gain)/loss due to experience on defined benefit obligation (DBO)	(0.15)	0.51
Total	(1.26)	0.19
Present value of funded defined benefit obligation	98.42	89.56
Fair value of plan assets	(96.88)	(88.25)
Funded status	1.54	1.31
Net defined benefit (asset) / liability	1.54	1.31

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Movements in present value of DBO		
Present value of defined benefit obligation at the beginning of the year	89.56	78.46
Current service cost	9.97	9.23
Interest cost	5.57	5.01
Actuarial (gain)/loss	(0.15)	0.51
Benefits paid	(6.53)	(3.65)
Present value of defined benefit obligation at the end of the year	98.42	89.56
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	88.25	70.42
Expected returns on plan assets	6.00	4.75
Remeasurement gain/(loss):		
Actuarial gain/(loss) on plan assets	1.11	0.32
Contribution from Employer	8.05	16.41
Benefits paid	(6.53)	(3.65)
Closing fair value of the plan assets	96.88	88.25
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (gain)/loss arising from experience adjustments	(0.15)	0.51
Actuarial (gain)/loss on plan assets	(1.11)	(0.32)
Total Actuarial (Gain)/Loss included in OCI	(1.26)	0.19

The principal assumptions used as at the balance sheet date for the purpose of actuarial valuations were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assumptions		
Discount rate	7.23%	6.80%
Salary increase rate	6.00%	6.00%
Demographic assumptions		
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate	5%	5%
Retirement age	58 Years	58 Years

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation		
Discount rate		
a. Discount rate - 100 basis points	105.94	96.70
b. Discount rate + 100 basis points	91.86	83.21
Salary increase rate		
a. Rate - 100 basis points	92.16	83.48
b. Rate + 100 basis points	105.46	96.27

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

as it is unlikely that the change in assumptions would clear in isolation of one another as some of the assumptions may be correlated.

Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

15 Deferred Tax Liabilities (Net)

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
Deferred tax liabilities on account of :				
Depreciation including on R & D assets, amortisation and impairment		250.64		223.44
Deferred tax asset on account of :				
Leave encashment	16.46		14.96	
Bonus expenses	1.05		1.05	
Lease Liability	5.37		-	
Trade Receivables	0.19		-	
MAT credit available	72.43	95.50	72.43	88.44
Net deferred tax liability		155.14		135.00

16 Other Non-financial liabilities

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Security deposit	1.56	-	1.56	-
Revenue received in advance	-	26.62	-	20.54
Deferred Income	0.43	0.15	0.59	0.15
Duties & taxes payable	-	49.79	-	28.74
Other Payables	-	6.89	-	6.37
Total	1.99	83.45	2.15	55.80

17 Financial Liabilities - Borrowings

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Secured Loans:		
Working capital loan from banks *	131.14	37.80
Current maturities of long-term debt (refer note no.12)	28.25	66.60
(ii) Unsecured Loans:		
Working capital loan from banks	206.44	109.67
Total Short-term Borrowings	365.83	214.07

a) * Working capital loan from banks are secured by first charge by way of hypothecation of all the stocks, book debts and all other movable current assets of the Company and second charge by way of mortgage of the specific immovable properties of the Company and hypothecation of plant & machinery of the Company.

b) Quarterly statements of stocks and other current assets filed by the Company with banks are in agreement with the books of accounts.

18 Financial Liabilities - Trade Payables

(₹ Crores)

Particulars		As at March 31, 2022	As at March 31, 2021
a)	Trade Payables for goods and services:		
	- Total outstanding dues of Micro and small enterprises	72.07	63.65
	- Others	346.27	393.03
b)	Acceptances	62.07	69.78
Total		480.41	526.46

Trade payables (others than MSME) and acceptances are non-interest bearing and are normally settled between 0-120 days.

Details of dues to micro and small enterprises as defined under MSMED Act, 2006

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due	72.07	63.65
Interest due on above	0.01	0.01
Amount paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act, 2006		
- Principal amount paid beyond appointed day	4.76	5.01
- Interest paid thereon	-	-
Amount of interest due and payable for the period of delay	0.02	0.02
Amount of interest accrued and remaining unpaid as at year end	0.03	0.03
Amount of further interest remaining due and payable in the succeeding year	-	-

The Company has compiled the above information based on written confirmations collected by the Company from suppliers.

Trade Payables as on 31.03.2022 ageing schedule is as under :-

(₹ Crores)

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	71.43	0.64	-	-	-	72.07
(ii) Others	343.37	62.59	1.46	0.62	0.08	408.12
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.18	0.04	0.22
Total Trade Payables	414.80	63.23	1.46	0.80	0.12	480.41

Trade Payables as on 31.03.2021 ageing schedule is as under :-

(₹ Crores)

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	62.08	1.57	-	-	-	63.65
(ii) Others	344.93	102.90	9.02	4.44	1.30	462.59
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0.18	0.04	-	0.22
Total Trade Payables	407.01	104.47	9.20	4.48	1.30	526.46

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

19 Current Tax Liabilities (Net)

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for taxation (net of taxes paid)	15.77	10.87
Total	15.77	10.87

20 Revenue from Operations (Net)

(₹ Crores)

Particulars	2021-22	2020-21
Sale of products	5,329.45	5,077.30
Sale of services	6.93	7.89
Other operating revenues:		
Export incentives	30.15	19.22
Sundry balances w/back	3.17	1.48
Miscellaneous income	29.66	33.27
Total	5,399.36	5,139.16

20.1 Disclosure relating to disaggregation of revenue in terms of Ind AS-115

(₹ Crores)

Particulars		2021-22			
		Branded Generics	Generic	APIs	Total
A	**Domestic**	2,508.27	-	325.42	2,833.69
B	**Exports**				
	Europe	116.04	320.45	232.44	668.93
	Africa	50.75	359.10	62.00	471.85
	Americas	41.09	121.71	335.96	498.76
	Asia (Excluding India)	74.32	24.59	356.92	455.83
	CIS	133.67	0.40	25.72	159.79
	Australasia	0.12	244.50	2.91	247.53
	Total (B)	415.99	1,070.75	1,015.95	2,502.69
	Total (A+B)	2,924.26	1,070.75	1,341.37	5,336.38

(₹ Crores)

Particulars		2020-21			
		Branded Generics	Generic	APIs	Total
A	**Domestic**	1,981.67	-	386.33	2,368.00
B	**Exports**				
	Europe	80.59	415.67	260.63	756.89
	Africa	54.26	422.52	55.81	532.59
	Americas	39.37	134.57	398.48	572.42
	Asia (Excluding India)	65.64	40.28	369.66	475.58
	CIS	163.53	0.46	24.95	188.94
	Australasia	0.03	180.27	10.47	190.77
	Total (B)	403.42	1,193.77	1,120.00	2,717.19
	Total (A+B)	2,385.09	1,193.77	1,506.33	5,085.19

20.2 Information about major customers:

No single customer represents 10% or more of the company's total revenue during the year ended March 31, 2022 and March 31, 2021.

20.3 Contract Liability

The Contract liability primarily relate to advances received from the customers against orders. Significant changes in the contract liabilities balance during the period are as under:

(₹ Crores)

Particulars	2021-22	2020-21
Balances at the beginning of the year	20.54	118.20
Revenue recognised that is included at the beginning of the period	19.99	117.97
Advances received which have remained outstanding at the end of the year	26.62	20.54

21 Other Income

(₹ Crores)

Particulars	2021-22	2020-21
Interest income	29.65	33.06
Interest income on financial asset at amortised cost	3.94	4.47
Profit on sale of investments - current (net)	9.84	10.60
Net gain on financial asset through FVTPL	6.09	-
Profit on sale of property, plant & equipment	0.91	0.81
Miscellaneous income	5.70	13.30
Total	56.13	62.24

22 Cost of Materials Consumed

(₹ Crores)

Particulars	2021-22		2020-21	
Raw materials consumed				
Opening stock	567.82		493.53	
Add : Purchases (net of discount)	1,452.07		1,420.91	
Add : Raw material conversion charges	24.34		28.84	
	2,044.23		1,943.28	
Less : Closing stock	665.86	1,378.37	567.82	1375.46
Packing materials consumed				
Opening stock	37.65		35.18	
Add : Purchases (net of discount)	258.15		207.55	
	295.80		242.73	
Less : Closing stock	48.89	246.91	37.65	205.08
Neutralisation of duties and taxes on inputs for exports - duty drawback benefits		(24.30)		(25.01)
Total		1,600.98		1,555.53

23 Purchases of Traded Goods

(₹ Crores)

Particulars	2021-22	2020-21
Formulations	270.47	186.18
Active Pharmaceutical ingredients/ Intermediates	12.43	11.50
Total	282.90	197.68

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

24 Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and Traded Goods

(₹ Crores)

Particulars	2021-22		2020-21	
Inventory Adjustments - WIP				
Stock at commencement	336.53		286.76	
Less: Stock at closing	339.38	(2.85)	336.53	(49.77)
Inventory Adjustments - FG				
Stock at commencement				
- Own	486.92		375.25	
- Traded	59.40		50.11	
	546.32		425.36	
Less : Loss of stock due to fire	4.56		-	
Less : Stock at closing				
- Own	580.81		486.92	
- Traded	78.86	(117.91)	59.40	(120.96)
Total		(120.76)		(170.73)

25 Employee Benefits Expenses

(₹ Crores)

Particulars	2021-22	2020-21
Salaries , bonus , perquisites , etc.	982.46	848.25
Contribution to provident and other funds	48.58	43.72
Leave encashment	12.68	14.28
Leave travel assistance	3.32	3.28
Gratuity fund contributions	9.54	9.49
Staff welfare expenses	31.00	28.69
Recruitment & training	2.05	1.13
Total	1,089.63	948.84

26 Finance Cost

(₹ Crores)

Particulars	2021-22	2020-21
Interest expense	4.98	5.20
Other borrowing cost	0.45	0.43
Interest expenses on lease liability (Refer note no.31)	1.23	1.49
Interest on Income tax	0.55	1.02
Total	7.21	8.14

27 Depreciation & Amortisation

(₹ Crores)

Particulars	2021-22	2020-21
Depreciation on tangible assets	185.91	169.49
Depreciation on Right-of-use assets	9.83	10.74
Amortisation on intangible assets	8.36	7.49
Total	204.10	187.72

28 Other Expenses

(₹ Crores)

Particulars	2021-22	2020-21
Consumption of stores and spares	65.24	53.75
Power and fuel	225.20	194.95
Water charges	6.77	6.53
Freight, forwarding and transportation	144.36	112.75
Outside manufacturing charges	18.45	11.83
Repairs and maintenance	156.47	133.67
Loss on sale of property, plant & equipment	0.60	0.81
Property, plant & equipment scrapped	11.36	2.86
Commission on sales and brokerage	30.80	52.45
Field staff expenses	99.35	70.29
Sales and marketing expenses	190.50	132.71
Product information catalogue	33.13	26.00
Expenditure on scientific research	41.82	52.42
Laboratory expenses and analytical charges	51.36	44.74
Rent	10.05	9.32
Rates and taxes	10.30	9.84
Travelling expenses	13.57	6.02
Professional charges	35.66	65.04
Printing and stationery	8.15	6.97
Books, subscription and software	12.13	9.13
Product registration expenses	20.10	21.38
GST Expenses	32.70	25.05
Communication expenses	6.63	6.11
Insurance	20.94	18.16
Intellectual property right expenses	1.20	0.68
Remuneration to auditors	0.60	0.52
Bank charges	3.16	2.99
Provision for doubtful debts/advances	0.36	0.25
Provision for Diminution in value of investment	39.14	12.68
Bad debts and other balance w/off	0.76	0.62
CSR expenses	18.21	10.96
Foreign exchange (gain)/loss-net	(31.47)	(41.35)
MTM Loss on Mutual Fund Investments	-	0.46
Impairment of Assets	-	15.84
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	25.47	17.83
Total	1,303.07	1,094.26
Details of:		
1. Repairs and maintenance:		
Building	23.04	18.34
Machinery	120.02	106.15
Others	13.41	9.18
	156.47	133.67

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

(₹ Crores)

Particulars	2021-22	2020-21
2. Remuneration to auditors:		
Audit fees including limited review	0.57	0.51
Certification and other services	0.03	0.01
	0.60	0.52

Disclosures:

Total expenditure on R & D is included in respective heads of accounts as under:

(₹ Crores)

Particulars	2021-22	2020-21
Expenditure on Scientific Research (Includes stores and chemicals, bio-availability, bio-equivalence and toxicity Studies)	41.82	52.42
Cost of materials consumed	2.16	1.90
Employee benefits expenses	50.22	46.77
Other expenses	23.73	20.30
Depreciation	14.61	14.66
Total	132.54	136.05

29 Tax Expense

(₹ Crores)

Particulars	2021-22	2020-21
Current tax	197.20	244.98
Tax expense of previous year	0.08	-
Deferred tax	20.14	(5.79)
Total	217.42	239.19
i. Reconciliation of current rate of tax and effective rate of tax:		
Profit before Income taxes	1,088.36	1,379.96
Enacted tax rates in India (%)	34.94%	34.94%
Computed expected tax expenses	380.27	482.21
Tax effect due to incentives	(10.48)	(190.27)
Depreciation differential	(5.92)	2.67
Effect of non- deductible expenses	64.36	20.25
Research and Development expenses	(8.22)	(1.75)
Others	(9.70)	(4.82)
MAT Credit Adjusted*	(213.11)	(63.31)
Income tax expenses - Net	197.20	244.98
Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate (%)	17.47%	17.47%
Computed tax liability on book profits	190.14	241.11
Tax effect on adjustments:		
Adjustment of OCI	0.25	0.02
Others	6.81	3.85
Minimum Alternate Tax on book profit	197.20	244.98

* Not recognised in earlier years on conservative basis

ii. Reconciliation of Deferred Tax

Deferred tax (assets) / liabilities in relation to:

(₹ Crores)

Particulars	As at March 31, 2022	Recognised in profit/loss	As at March 31, 2021
Property, plant & equipment	243.57	20.12	223.45
Right of Use-Assets	7.08	7.08	-
MAT credit available	(72.43)	-	(72.43)
Lease Liability	(5.38)	(5.38)	-
Compensated absences	(16.46)	(1.49)	(14.97)
Bonus expenses	(1.05)	-	(1.05)
Doubtful Debts	(0.19)	(0.19)	-
Total	155.14	20.14	135.00

(₹ Crores)

Particulars	As at March 31, 2021	Recognised in profit/loss	As at March 31, 2020
Property, plant & equipment	223.45	(2.84)	226.29
MAT credit available	(72.43)	-	(72.43)
Compensated absences	(14.97)	(2.95)	(12.02)
Bonus expenses	(1.05)	-	(1.05)
Total	135.00	(5.79)	140.79

30 Disclosure as required by Accounting Standard – Ind AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

The earning per share is calculated by dividing the profit after tax by weighted average number of shares outstanding for basic & diluted EPS.

(₹ Crores)

Particulars	2021-22	2020-21
i Profit after tax	870.94	1,140.77
ii Profit after tax and exceptional Items	870.94	1,140.77
iii Equity shares outstanding at year end (nos.)	25,37,04,218	25,37,04,218
iv Weighted avg no. of shares outstanding (nos.) (basic)	25,37,04,218	25,32,79,560
v Weighted avg no. of shares outstanding (nos.) (diluted)	25,37,04,218	25,32,79,560
vi Nominal value of equity share (₹)	1.00	1.00
vii Basic EPS (i / iv) (₹)	34.33	45.04
viii Diluted EPS (i / v) (₹)	34.33	45.04

Note: Pursuant to the approval of the shareholders accorded in the Extraordinary General Meeting (EGM) of the Company held on December 16, 2021, each equity share of face value of ₹ 2/- (Two) per share was subdivided into two equity shares of face value of ₹ 1/- (One) per share, with effect from January 11, 2022. Consequently, the basic and diluted earnings per share have been computed for current year and previous year on the basis of the new number of equity shares in accordance with Ind AS 33 - Earnings per Share.

31 Disclosure in accordance with Ind AS – 116 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.

Following is the carrying value of right-of-use asset recognised and the movements thereof during the year ended March 31, 2022

(₹ Crores)

Particulars	Land and Buildings 2021-22	Land and Buildings 2020-21
Balance as at 1st April	15.45	26.13
Additions during the year	14.64	0.12
Deletion during the year	-	0.06
Depreciation of Right-of-use asset	9.83	10.74
Balance as at 31st March	20.26	15.45

Following is the carrying value of lease liability and movement thereof during the year ended March 31, 2022

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at 1st April	13.05	18.89
Additions during the year	8.22	0.12
Finance cost accrued during the year	1.23	1.49
Deletions	-	0.06
Payment of lease liabilities	7.10	7.39
Balance as at 31st March	15.40	13.05
Current portion of Lease liability	4.47	4.80
Non - Current portion of Lease liability	10.93	8.25
	15.40	13.05

The weighted average incremental borrowing rate applied to lease liabilities is 9% except one agreement of Krebs Biochemicals where Inter Company Deposit rate is available, which is 8%.

Amounts recognised in the statement of cash flows

(₹ Crores)

Particulars	2021-22	2020-21
Total cash outflow for leases	14.40	13.86

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	4.47	4.80
One to five years	6.30	4.20
More than five years	4.64	4.05
Total	15.40	13.05

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

32 Segment Reporting

Disclosure as required by Ind AS 108 "Operating Segment", of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance in accordance with Ind AS "Operating Segment", the Company has only one reportable operating segment i.e. Pharmaceuticals. The additional disclosure is being made in the consolidated financial statements.

33 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015.

A. List of related parties

Relationships	Country
i. Entities having significant influence	
Shareholders of Ipca Laboratories Ltd.	
Kaygee Investments Pvt. Ltd.	India
Subsidiaries	
Ipca Pharmaceuticals, Inc.	USA
Ipca Laboratories (U.K.) Ltd.	United Kingdom
Ipca Pharma (Australia) Pty Ltd.	Australia
Ipca Pharma Nigeria Ltd.	Nigeria
Ipca Pharmaceuticals Ltd.SA de CV	Mexico
Tonira Exports Ltd.	India
Ramdev Chemical Pvt. Ltd.	India
Trophic Wellness Pvt. Ltd.(w.e.f. 11.06.2021)	India
Step-down Subsidiaries	
Ipca Pharma (NZ) Pty. Ltd.	New Zealand
Onyx Scientific Limited	United Kingdom
Pisgah Laboratories Inc	USA
Bayshore Pharmaceuticals LLC	USA
ii. Associates	
Krebs Biochemicals & Industries Ltd.	India
Trophic Wellness Pvt. Ltd.(till 10.06.2021)	India
Lyka Labs Ltd. (w.e.f 24.11.2021)	India

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Relationships			Country
iii.	**Joint Venture**		
	Avik Pharmaceutical Ltd.		India
iv.	**Key Management Personnel**		
	Mr. Premchand Godha	Chairman & Managing Director	Indian
	Mr. Ajit Kumar Jain	Joint Managing Director & CFO	Indian
	Mr. Pranay Godha	Executive Director	Indian
	Mr. Prashant Godha	Executive Director	Indian
	Mr. Anand T. Kusre	Independent Director	Indian
	Mr. Dev Parkash Yadava	Independent Director	Indian
	Dr. (Mrs.) Manisha Premnath	Independent Director	Indian
	Mr. Kamal Kishore Seth	Independent Director	Indian
v.	**Other related parties**		
	(Entities in which directors or their relatives have significant influence and with whom there were transactions during the period)		
	Kaygee Laboratories Pvt. Ltd.		India
	Nipra Industries Pvt. Ltd.		India
	Nipra Packaging Pvt. Ltd.		India
	Prabhat Foundation		India
	Vandhara Resorts Pvt. Ltd.		India
	Makers Laboratories Ltd.		India
	Ipca Foundation (w.e.f 18.05.2021)		India

Details of related party transactions are given in statement 1 attached to the financial statement. The value of related party transactions and balances reported are based on actual transactions and without giving effect to notional Ind AS adjustment entries.

34 CSR Expenditure:

a. Gross amount required to be spent by the Company during the year : ₹ 18.21 crores (previous year ₹ 10.85 crores).

b. **i) Amount spent by the Company during the year is as follows:**

(₹ Crores)

Sr. No.	Nature of CSR Activities	Paid in cash	Yet to be paid in cash (see note below)	Total
1	CSR expense brought forward from previous financial years	-	-	2.00
2	Eradication of poverty, promotion of healthcare, sanitation, drinking water etc.	3.10	-	3.10
3	Promotion of education, vocational training & skill enhancement etc.	7.76	-	7.76
4	Environmental sustainability, animal welfare, natural resource conservation etc.	2.26	-	2.26
5	Promoting of gender equality and empowering women	-	-	-
6	Protection of national heritage, art, culture etc.	0.53	-	0.53
7	Promotion of rural sports	0.03	-	0.03
8	Rural development	0.78	1.75	2.53
	Total	14.46	1.75	18.21

Note: ₹ 1.82 Crores is deposited in “Ipca Labs Limited Unspent CSR Account” (Special Bank Account) against the ongoing project.

Out of above CSR payments to Related parties are as under: **(₹ Crores)**

Particulars	Paid in cash	Yet to be paid in cash	Total
Prabhat Foundation	0.33	-	0.33
Ipca Foundation	4.36	-	4.36
Total	4.69	-	4.69

ii) Amount spent by the Company during the previous year is as follows:

(₹ Crores)

Sr. No.	Nature of CSR Activities	Paid in cash	Yet to be paid in cash	Total
1	Eradication of poverty, promotion of healthcare, sanitation, drinking water etc.	6.24	-	6.24
2	Promotion of education, vocational training & skill enhancement etc.	4.23	-	4.23
3	Environmental sustainability, animal welfare, natural resource conservation etc.	1.67	-	1.67
4	Promoting of gender equality and empowering women	-	-	-
5	Protection of national heritage, art, culture etc.	0.50	-	0.50
6	Promotion of rural sports	-	-	-
7	Rural development	0.32	-	0.32
	Total	12.96	-	12.96
	Less : CSR expenses carried forward to next financial year	(2.00)	-	(2.00)
	Net CSR Expenses	10.96	-	10.96

Out of above CSR payments to Related parties are as under: **(₹ Crores)**

Particulars	Paid in cash	Yet to be paid in cash	Total
Prabhat Foundation	2.15	-	2.15

35 Contingent liabilities and Commitments

A. Contingent Liabilities

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
Claims against the Company not acknowledged as debts	12.51		10.64	
Amount deposited under protest	(1.71)	10.80	(1.68)	8.96
Corporate guarantee given to Bank for				
- Working Capital Finance to Subsidiary	34.11		32.91	
- Others	2.28	36.39	2.28	35.19
Guarantees given by banks in favour of Govt. & others *		19.51		17.46
Term deposit with Bank (previous year with NBFC) as security for short term working capital loan provided to Associate company **		11.00		11.00
Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company *	23.25		14.84	
Amount deposited under protest	(0.70)	22.55	(0.77)	14.07
Total		100.25		86.68

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

Notes:-

* It includes ₹ 4.38 crores (Previous year ₹ 4.38 crores) towards interest and penalty demanded by excise department, Ankleshwar relating to erstwhile Tonira Pharma Limited since amalgamated with the Company and is not payable in accordance with the order passed by the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad. The Department had moved the Hon'ble Gujarat High Court against the said CESTAT order and as per the order of the said Hon'ble High Court, the Company has furnished a Bank Guarantee of ₹ 2.00 crores to the Department.

** Company has provided security by way of lien over the term deposit of ₹ 11.00 crores (previous year ₹ 11.00 crores) placed by the company with RBL Bank (previous year with Bajaj Finance Limited) towards short term credit facility availed by Krebs Biochemicals & Industries Ltd., an Associate company.

B. Commitments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Tangible Assets	107.33	198.34
Intangible Assets	-	-
	107.33	198.34
(b) Other Commitments		
Purchase orders backed by Letter of Credit opened by bankers.	80.13	97.18
	80.13	97.18
Total	187.46	295.52

36 Financial Instruments

The carrying value and fair value of financial instruments by categorywise is as follows:

(₹ Crores)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets				
Amortised cost				
Loans	71.34	101.27	71.34	101.27
Others	199.89	210.85	199.89	210.85
Trade receivables	815.94	774.46	815.94	774.46
Cash and cash equivalents	592.97	306.92	592.97	306.92
FVTPL				
Mutual funds considered as cash and cash equivalents	719.31	393.83	719.31	393.83
FVTOCI				
Derivative assets	-	-	-	-
Total financial assets	2,399.45	1,787.33	2,399.45	1,787.33
Financial liabilities				
Amortised cost				
Borrowings	761.01	223.20	761.01	223.20
Lease liability	15.40	13.05	15.40	13.05
Trade payables	480.41	526.46	480.41	526.46
Others	288.75	150.75	288.75	150.75
FVTOCI				
Derivative liabilities	-	0.56	-	0.56
Total financial liabilities	1,545.57	914.02	1,545.57	914.02

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37 Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(₹ Crores)

Particulars	Fair Value measurement using				Total
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets measured at fair value					
Mutual funds - growth plan	As at March 31, 2022	719.31	-	-	719.31
Total financial assets		719.31	-	-	719.31
Financial liabilities					
Derivative financial liabilities	As at March 31, 2022	-	-	-	-
Total financial liabilities		-	-	-	-
Financial assets measured at fair value					
Mutual funds - growth plan	As at March 31, 2021	393.83	-	-	393.83
Total financial assets		393.83	-	-	393.83
Financial liabilities					
Derivative financial liabilities	As at March 31, 2021	-	0.56	-	0.56
Total financial liabilities		-	0.56	-	0.56

38 Financial Risk Factors

The Company's business activities are exposed to a variety of financial risks: market/business risk, credit risk, exchange risk, etc. The Company's focus is to foresee the unpredictability of financial and business risks and seek to minimize potential adverse effects of these risks on its business and financial performance.

i. Business/Market Risk

The primary business/market risk to the Company is the price risk and its ability to pass on the same to its customers. The Company's operations extend to a number of countries across the globe and its products pricing competitiveness is a primary factor for the acceptability of Company's products in those markets. The Company has a robust procurement process, which ensures that its pricing power is not adversely affected by price changes in the market place for its raw materials. The backward integration into manufacturing of several API's for its own use in the formulations manufacturing also works as a mitigating strategy for price risk faced by the Company.

The other business risk is regulatory risk and regulatory audits of its manufacturing facilities by the regulators to ensure that the manufacturing facilities meet the current Good Manufacturing Practices (cGMP) requirements. The Company is already

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

exposed to certain audit observations from the US FDA for 3 of its manufacturing plants and has taken the necessary corrective measures to redress those US FDA audit observations so as to be able to market all its products once again in the US market. While the stringent regulatory requirements and audits works as a business risk, the successful audit of its facilities by regulators coupled with price competitiveness results in higher business and margins for the Company.

The Company's products are also subjected to product liability claims/litigations. To mitigate these risks, the Company has obtained adequate Product Liability Insurance.

The Company, however, has a reduced risk from dependence on any single customer as no single customer or customer group accounts for more than 10% of Company's annual revenue. The Company also continuously forays into different markets/countries to reduce its dependence on any particular country or customer group. The Company also has a diversified therapeutic product portfolio and therefore no single product account for more than 10% of Company's annual revenue.

ii. Credit risk

The Company has exposure to credit risks associated with sales to various developing markets/countries. To mitigate these credit risks arising out of this, the Company obtains credit insurance on a regular basis after evaluating the credit risk associated with a country/customer. Country/customer where no credit insurance is available, the Company monitors such risk by continuously monitoring its exposure to such country/customer. There was no historically significant credit risk in the domestic market for the Company. Based on the historical data, the Company has made adequate provisions for expected loss because of credit risk, which is neither significant nor material.

iii. Interest risk

The Company has borrowings mainly in foreign currencies which is linked to SOFR. The Company mitigates these risks associated with floating SOFR rates by entering into interest rate swaps to move them to fixed SOFR rates. The domestic interest risk is exposed to the changes in the RBI bank rate. The Company manages this risk by managing its working capital effectively.

iv. Foreign currency risk

The Company continuously manages its risks associated with foreign currency by adopting various hedging strategies in consultation with internal and external experts. The Company has a system of regularly monitoring its currency wise exposures. The significant part of Company's receivables and borrowings are in US Dollars which operates as a natural hedge against each other. The Company has a policy not to borrow in a currency where it has no business exposure.

v. Foreign currency exposure is as follows:

Sr. no.	Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
			Amount in foreign currency (in millions)	Amount (₹ crores)	Amount in foreign currency (in millions)	Amount (₹ crores)
I)	**Foreign exchange liability**					
a.	ECB term loan & interest	USD	4.26	32.25	10.38	75.91
b.	Packing credit & interest	USD	22.00	166.79	15.00	109.70
		EURO	5.59	47.07	3.00	25.72
c.	Trade & other payables	USD	26.21	198.69	22.76	166.39
		EURO	0.28	2.40	0.35	2.99
		GBP	0.01	0.05	0.01	0.06
		AUD	0.01	0.06	0.01	0.06
		NZD	0.20	1.05	-	-

Sr. no.	Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
			Amount in foreign currency (in millions)	Amount (₹ crores)	Amount in foreign currency (in millions)	Amount (₹ crores)
II)	**Receivables in foreign currency**					
a.	Trade & other receivables	USD	40.50	306.92	47.64	348.28
		EUR	8.52	71.72	7.99	68.51
		GBP	6.67	66.36	10.50	105.76
		AUD	6.37	36.15	5.72	31.86
		CAD	4.11	24.87	1.91	11.07
		NZD	4.94	25.95	1.25	6.42
		COP	855.52	1.73	877.89	1.74
b.	Unbilled revenue	CAD	1.19	7.22	0.68	3.94

The Company has entered into various derivatives transactions, which are not intended for trading or speculative purpose but to hedge the export receivables included in ((II) a) above and future receivables and foreign currency loan interest rate risks.

vi. Other Price Risk

The Company is mainly exposed to the price risk due to its investment in mutual funds. However, the Company is investing only in debt funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31, 2022, the investments in mutual funds is ₹ 719.31 crores (Previous year ₹ 393.83 crores).These are exposed to price risk. In order to minimize price risk arising from investments in mutual funds, the Company predominately invest in liquid fund where price risk is minimum.

Price risk sensitivity

0.10% increase or decrease in prices will have the following impact on profit/loss before tax and on other components of investment value.

(₹ Crores)

Particulars	Impact on Profit		Impact on Investment Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Price - increase by 0.10%*	0.72	0.39	0.72	0.39
Price - decrease by 0.10% *	(0.72)	(0.39)	(0.72)	(0.39)

* assuming all other variables as constant

39 Capital Management

For the purpose of the Company's capital management, capital includes paid-up equity share capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Company monitors capital using a gearing ratio, which is net debt divided by its total capital. The Company includes within its net debt the interest bearing loans and borrowings, trade and other payables less cash and cash equivalents.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings other than convertible preference shares	761.01	223.20
Trade payables	480.41	526.46
Other payables	288.75	151.31
Less: Cash and cash Equivalents (C&CE)	(227.80)	(108.17)
Less: Bank balances	(365.17)	(198.75)
Less: Investment in MF (part of C&CE)	(719.31)	(393.83)
Net debt	217.89	200.22
Total Equity	5,523.34	4,752.72
Capital and net debt gearing ratio	3.94%	4.21%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lending institutions to immediately call back the loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing the capital during the years ended March 31, 2022 and March 31, 2021.

40 Derivative Financial Instruments

The details of outstanding foreign exchange forward contracts and other derivatives designated as cash flow hedges:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Currency	In Million	Currency	In Million
Forward Contracts - Exports	USD	89.50	USD	84.00
	STG	3.00	STG	10.05
	EUR	3.00	EUR	9.00
	AUD	15.05	AUD	15.00
	CAD	6.00	CAD	6.00
	NZD	8.05	NZD	4.25
Forward Contracts - Imports	USD	0.23	USD	0.32
Other Derivatives:				
Options	USD	4.00	USD	2.00
Interest Rate Swaps (notional Outstanding)	USD	-	USD	6.00

The foreign exchange forward contracts mature within twelve months or more. The table below shows the derivative financial instruments into relevant maturity groupings based on the remaining period as at balance sheet date:

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
		In Million	In Million
Forward Contracts - Exports			
Not later than one month	USD	8.00	-
	STG	1.00	1.05
	EUR	2.00	1.50
	CAD	1.00	1.00
	AUD	2.00	1.50
	NZD	0.50	1.00
Later than one month and not later than three months	USD	16.50	15.00
	STG	2.00	2.00
	EUR	1.00	2.50
	CAD	2.00	2.00
	AUD	4.00	3.00
	NZD	1.55	2.00

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Forward Contracts - Exports		In Million	In Million
Later than three months and not later than one year	USD	65.00	69.00
	STG	0.00	7.00
	EUR	0.00	5.00
	CAD	3.00	3.00
	AUD	9.05	10.50
	NZD	6.00	1.25

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Forward Contracts - Imports		In Million	In Million
Not later than one month	USD	0.09	0.08
Later than one month and not later than three months	USD	-	0.15
Later than three months and not later than one year	USD	0.14	0.09

During the year ended March 31, 2022 the Company has designated certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related transactions for the balance in the cash flow hedging reserve are expected to occur and reclassified to revenue in the Statement of Profit and Loss . However, as at March 31, 2022 , there are no transactions in the hedge reserve that are required to be reclassified to the revenue in the statement of profit & loss account.

Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be re-balanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedged ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted in the Statement of Profit and Loss at the time of hedge relationship re-balancing.

The reconciliation of cash flow hedge reserve for the year ended March 31, 2022 is as follows:

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	(0.55)	(1.20)
Changes in the fair value of effective portion of cash flow hedges	0.20	(0.18)
Gain/(loss) transferred to the statement of profit & loss on occurrence of forecasted hedge transactions	0.35	0.83
Deferred tax on fair value of effective portion of cash flow hedges	-	-
Balance at the end of the period	-	(0.55)

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. During the year the Company has not settled any such transactions.

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognised financial asset / liability	-	-	-	0.55
Amount set-off	-	-	-	-
Net amount presented in balance sheet	-	-	-	0.55

Notes to Standalone Financial Statements as at and for the year ended March 31, 2022

41 As per the records of the Registrar of Companies, Maharashtra, available on their website, various charges are yet to be satisfied, however, as per records of the Company, such loans have been fully repaid and none of the lenders has communicated or demanded any outstanding amount from the Company. The summarised details are as under:

Sr. No.	No. of Cases	Aggregate Amount (₹ Crores)	Period range	Reasons
1	20	58.15	1961-2005	Old cases - Records not available / being taken up with lenders.
2	8	42.26	1972-2010	Necessary forms filed, however, ROC records not updated.

42 Analytical Ratios:

Sr. No.	Ratio	Numerator/ Denominator	Units	31st March, 2022	31st March, 2021	% Variance	Reason for Variance (where variance is more than 25%)
1	Current Ratio	Current assets / Current liabilities	No. of times	3.13	3.08	2%	-
2	Debt Equity Ratio	Total Debt / Shareholder's Equity	No. of times	0.14	0.05	180%	Increase in Debt.
3	Net Profit Ratio	Net Profit / Net Sales	Percentage	16.32%	22.43%	-27%	Reduction in Profit.
4	Return on Equity	Net Profit after taxes / Average Shareholder's Equity	Percentage	16.95%	27.06%	-37%	Reduction in Profit.
5	Return on Capital Employed	EBIT / Capital employed	Percentage	17.01%	27.16%	-37%	Reduction in Profit and Increase in Debt.
6	Return on Investment	Interest on Mutual Fund, F.D.R & I.C.D / Average amount of Mutual Fund, F.D.R & I.C.D	Percentage	4.26%	4.57%	-7%	-
7	Trade Receivable Turnover Ratio	Net Credit Sales / Average Account Receivable	No. of times	6.71	6.30	6%	-
8	Trade payable Turnover Ratio	Net Credit Purchase / Average Trade Payable(incl. services)	No. of times	3.96	3.43	15%	-
9	Inventory Turnover Ratio	Cost of goods Sold / Average Inventory	No. of times	1.08	1.14	-5%	-
10	Net capital turnover ratio	Net Sales / Average Working Capital	No. of times	2.11	2.76	-24%	-
11	Debt Service Coverage Ratio	Earnings available to Debt Service / Debt Service	No. of times	16.36	19.28	-15%	-

43 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.

44 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022.

As per our report of even date attached
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569

Mumbai
May 24, 2022

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

Statement 1 (refer Note No. 33)

Related Party Disclosure as required by Indian Accounting Standard – Ind AS 24 "Related Party Transactions" of the Companies (Accounting Standards) Rule 2015.

Transactions with related parties-standalone accounts

(₹ Crores)

Sr. No.	Particulars	Entities where control exists		Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
		Subsidiaries											
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Purchase of goods and services	17.45	5.28	-	-	77.68	64.22	30.00	29.10	18.27	12.86	143.40	111.46
2	Sales of goods and services	10.25	32.93	-	-	22.72	15.22	10.76	11.51	1.04	1.35	44.77	61.01
3	Rent income	0.16	0.01	-	-	0.04	0.19	-	-	-	-	0.20	0.20
4	Interest income	2.35	0.86	-	-	4.62	4.40	1.57	1.61	0.06	-	8.60	6.87
5	Sale of fixed assets	0.13	0.27	-	-	0.83	-	-	-	0.01	-	0.97	0.27
6	Purchase of fixed assets (₹ 40,627/-)	-	-	-	-	-	-	-	-	0.00	-	0.00	-
7	Rent, expenses paid/(recovered)	(2.65)	(1.05)	-	-	1.20	1.17	-	-	-	(0.01)	(1.45)	0.11
8	Net loans and advances given/ (recovered)	23.51	18.00	-	-	(53.10)	31.22	(0.40)	(0.60)	9.40	-	(20.59)	48.62
9	Investments made / (redemption)	57.41	28.50	-	-	210.62	47.72	0.11	-	-	-	268.14	76.22
10	Shares Issued upon Conversion of Share Warrants(Including Share Premium)	-	-	-	26.36	-	-	-	-	-	21.39	-	47.75
11	Remuneration to Directors	-	-	24.70	22.34	-	-	-	-	-	-	24.70	22.34
12	Provident Fund to Directors	-	-	1.34	1.19	-	-	-	-	-	-	1.34	1.19
13	Post employment benefits of Directors	-	-	0.52	0.47	-	-	-	-	-	-	0.52	0.47
14	Sitting Fees to Non-executive Directors	-	-	0.52	0.43	-	-	-	-	-	-	0.52	0.43
15	Donation/CSR	-	-	-	-	-	-	-	-	4.69	2.15	4.69	2.15
16	Security given to bank/NBFC	-	-	-	-	11.00	11.00	-	-	-	-	11.00	11.00
17	Corporate guarantee given to bank	-	10.97	-	-	-	-	-	-	-	-	-	10.97
18	Impairment in the value of non-current investments	-	-	-	-	39.14	12.68	-	-	-	-	39.14	12.68
19	Balance at year end:												
	Trade receivables	5.39	30.48	-	-	12.65	5.66	1.78	0.98	-	-	19.82	37.12
	Loan given	42.50	19.00	-	-	7.00	66.47	13.78	14.18	6.40	-	69.68	99.65
	Advance given	0.01	-	-	-	11.41	5.04	-	-	3.00	-	14.42	5.04
	Deposit given	-	-	-	-	45.00	45.00	-	-	-	-	45.00	45.00
	Interest receivable	0.71	0.38	-	-	7.10	3.08	-	0.35	0.06	-	7.87	3.81
	Trade payable	2.29	0.36	-	-	1.16	-	-	-	1.34	1.15	4.79	1.51
	Directors remuneration payable	-	-	13.74	12.29	-	-	-	-	-	-	13.74	12.29
	Corporate guarantee/Security given to bank/NBFC	34.11	32.91	-	-	11.00	11.00	-	-	-	-	45.11	43.91

INDEPENDENT AUDITOR'S REPORT

To the Members of Ipca Laboratories Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Ipca Laboratories Limited** ("the Holding Company"), and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), its joint venture and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant 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 and based on the consideration of reports of other auditors of the subsidiaries, joint venture and associates, the 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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture and its associates as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its joint venture and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI"), together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules framed thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters:

Sr. No	Key Audit Matters (KAMs)	How our Audit addressed the Key Audit Matters
1.	**Inventory Valuation** Refer note (D)(g) of the Statement of Significant Accounting Policies. The Holding Company manufactures and sells pharmaceutical products which carry shelf life. As a result, significant level of judgement is involved in estimating inventory valuation. Judgement is required to assess the appropriate net realisable value for short dated raw material and finished products. Such judgments include management expectations for future sales and inventory liquidation plans.	Our procedures included, amongst others: • We attended stock counts to identify whether any inventory was obsolete; • We assessed the basis for the inventory valuation, the consistency in policy and the rationale in its application; • We tested the accuracy of the ageing of inventories based on system generated reports; • We tested the arithmetical accuracy of valuation files; and • We reviewed product-wise historical data relating to sales return etc. and also its impact on valuation.

<table>
<tr><th>Sr. No</th><th>Key Audit Matters (KAMs)</th><th>How our Audit addressed the Key Audit Matters</th></tr>
<tr><td>2.</td><td>Impairment of Property, plant & equipment

Refer note (D)(b) of the Statement of Significant Accounting Policies.

There is a risk of impairment on the Group property, plant and equipment (PPE) on account of inherent nature of the PPE and the business environment in which the Group operates. As on March 31, 2022 the carrying amount of PPE was ₹ 2,187.91 crores which represent 28.64% of total assets.

The Management determines at the end of each reporting period the existence of any objective evidence that the Group PPE may be impaired. If there are indicators of impairment of class of assets, the deficit between the recoverable amount of the PPE and its carrying amount would be recognised as impairment loss in profit or loss.

The process of identifying indicators of impairment and determining the recoverable amount of the PPE by the Management requires significant judgement and estimation. The determination of the recoverable amounts inter alia requires estimates of forecasted revenues, growth rates, profit margins, tax rates and discount rates.</td><td>• We assessed the determination of the recoverable amount of the PPE based on our understanding of the nature of the Group business and the economic environment surrounding its operations.

• We reviewed the Group historical performances and held discussions with the Management to understand their assessment of the Group future performance. This included obtaining an understanding of management's planned strategies around business expansion and revenue growth strategies.

• We also reviewed performance of individual units and carried out analytical review of relevant data.

• We assessed management's estimates applied in the value-in-use model and compared them against historical performance and tested the arithmetical accuracy.

• We evaluated the sensitivity of the outcomes by considering the downside scenarios against changes to the key assumptions.

• We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.</td></tr>
</table>

Information Other than the Consolidated Financial Statements and Our Report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Consolidated and Standalone Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, identified above 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.

When we read the balance part of Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take necessary actions as applicable under the relevant laws and regulations.

Management and Those Charged with Governance Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of the Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including, its Joint Venture and its Associates in accordance with the accounting principles generally accepted in India, including the Ind AS and the relevant provisions of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Management and 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 and its associates are responsible for assessing the ability of the Group and of its associates and 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 the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture and its associates are responsible for overseeing the financials reporting process of the Group and its joint venture and its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 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 system 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 and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated 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 audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of nine subsidiaries (including six foreign subsidiaries) whose standalone financial statements reflect total assets of ₹ 898.75 crores as at March 31, 2022, total revenue ₹ 497.20 crores, total net profit of ₹ 16.92 crores, total comprehensive income of ₹ 25.59 crores for the quarter and year ended March 31, 2022, respectively and net cash outflows of ₹ 19.70 crores for the year ended on that date and standalone/consolidated financial statements of one joint venture and two associates, where the Group's share of net profit/(loss) of ₹ (22.75) crores and total comprehensive profit/(loss) of ₹ (22.82) crores for the year ended March 31, 2022, as considered in the preparation of the Consolidated Financial Statements, have been audited by other auditors whose reports have been furnished to us.

In addition, we did not audit the financial statements of three foreign subsidiaries, whose financial statements reflect total assets of ₹ 0.70 crores as at March 31, 2022, total revenue of ₹ 0.08 crores, total net profit of ₹ 0.04 crores, total comprehensive income of ₹ 0.05 crores and net cash inflows of ₹ 0.06 crores for the year ended March 31, 2022, as considered in the preparation of the Consolidated Financial Statements. The financial statements and financial information of these subsidiaries are unaudited and have been certified by the Management.

The Management of the Company has also furnished us details of adjustments that are required in case of financial statements of foreign subsidiaries so as to make these financial statements fit for consolidation. Our opinion on the Consolidated Financial Statements, in so far as it relates to aforesaid subsidiaries, joint venture and associates, is based solely on the report of such other auditors and such certification from the Management. In our opinion and according to the information and explanations given to us by the Management of the Company, financial statements of three unaudited subsidiaries and adjustments that are required so as to make financial statements of foreign subsidiaries fit for consolidation are not material to the Group.

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 section 143(11) of the Act, based on our audit and on the consideration of report of the other auditors on standalone / consolidated financial statements and the other financial information of the subsidiaries, joint venture and associates, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on standalone / consolidated financial statements / financial and the other financial information of subsidiaries, joint venture and associates, as noted 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 purposes of our audit of the aforesaid Consolidated Financial Statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidation Financial Statements have been kept by the Holding Company so far as it appears from our examination of those books and reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder and relevant provisions of the Act;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, joint venture and associates incorporated in India, none of the directors of the Group companies, its joint venture and its associates incorporated in India are disqualified as on March 31, 2022 from being appointed as a director in terms of section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, joint venture and associates incorporated in India and the operating effectiveness of such controls, we give our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors of subsidiaries, joint venture and associates, as noted in the 'Other Matters' paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint venture and its associates. Refer Note 34 to the Consolidated Financial Statements.

ii. The Group, its joint venture and its associates 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 amounts which are required to be transferred to the Investor Education and Protection Fund by the Group, its joint venture and its associates.

iv. a) The respective managements of the Holding Company, its subsidiaries, its joint venture and its associates whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, joint venture and associates respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, joint venture and associates to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, joint venture and associates ("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, its joint venture, its associates whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, joint venture and associates 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 respective Holding Company or any of such subsidiaries, joint venture and associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, joint ventures and associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's 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 interim dividend declared and paid by the Holding Company incorporated in India, during the year and until the date of the audit report is in accordance with section 123 of the Act.

For **G. M. Kapadia & Co**.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 22039569AJMIXW4357

Place: Mumbai
Dated: May 24, 2022

Annexure A referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Ipca Laboratories Limited

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, and based on the consideration of reports of auditors in respect of subsidiaries, joint venture and associates, we state that the qualifications or adverse remarks by the respective auditors in their reports on Companies (Auditor's Report) Order, 2020 of the companies included in the Consolidated Financial Statements are:

Sr. No.	Name	CIN	Holding Company/ Subsidiary/ Associate	Clause number of the CARO report which is qualified or is adverse
1.	Ipca Laboratories Limited	L24239MH1949PLC007837	Holding Company	i(c)
2.	Ramdev Chemical Private Limited	U24200MH1999PTC120863	Subsidiary	xvii
3.	Trophic Wellness Private Limited	U24100MH2010PTC206526	Subsidiary	iii(c)
4.	Krebs Biochemicals and Industries Limited	L24110AP1991PLC103912	Associate	xvii xix

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 22039569AJMIXW4357

Place: Mumbai
Dated: May 24, 2022

Annexure B referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of the Holding Company on the Consolidated Financial Statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under section 143(3)(i) of the Act

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of **Ipca Laboratories Limited** ("the Holding Company") and its subsidiaries, its joint venture and its associates, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company, its subsidiaries, its joint venture and its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2022, based on the internal controls with reference to Consolidated Financial Statements criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Management's Responsibility for Internal Financial Controls with reference to Consolidated Financial Statements

The respective Board of Directors of the Holding company, its subsidiaries, joint venture and associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 ("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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for Internal Financial Controls with reference to Consolidated Financial Statements

Our responsibility is to express an opinion on internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, joint venture and associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements, in so far as it relates to three subsidiaries, two associates and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 22039569AJMIXW4357

Place: Mumbai
Dated: May 24, 2022

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A dose of life

IPCA LABORATORIES LIMITED

Consolidated Balance Sheet as at March 31, 2022

Particulars	Note Ref.	As at March 31, 2022 (₹ Crores)	As at March 31, 2021 (₹ Crores)
ASSETS			
1. Non-current assets			
(a) Property, plant & equipment	1	2,187.91	1,947.34
(b) Capital work-in-progress		293.85	183.66
(c) Goodwill on consolidation	1A	46.39	38.83
(d) Goodwill on acquisition	1A	7.77	7.77
(e) Other intangible assets	1B	154.61	63.04
(f) Intangible assets under development		12.58	51.16
(g) Right of use assets	31	20.84	15.45
(h) Investment accounted for using the equity method	2	114.69	77.26
(i) Financial assets			
(i) Investments	2A	155.19	34.17
(ii) Loans	3	71.40	81.35
(iii) Others	4	69.93	82.42
(j) Deferred tax assets (net)	15	2.02	1.95
(k) Other non-current assets	5	44.51	47.00
Total Non-current assets		3,181.69	2,631.40
2. Current assets			
(a) Inventories	6	1,857.97	1,594.81
(b) Financial assets			
(i) Investments	2B	719.31	393.83
(ii) Trade receivables	7	910.78	811.75
(iii) Cash and cash equivalents	8	275.19	165.97
(iv) Bank balances other than (iii) above	9	365.47	199.10
(v) Loans	3	10.34	1.22
(vi) Others	4	131.64	129.44
(c) Current tax assets (net)		-	-
(d) Other current assets	5	176.01	140.84
(e) Non current assets held for sale		10.46	-
Total current assets		4,457.17	3,436.96
Total Assets		7,638.86	6,068.36
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	10	25.37	25.37
(b) Other equity	11	5,466.60	4,676.28
Equity attributable to owners of the Holding Company		5,491.97	4,701.65
Non-controlling interests		76.92	14.53
Total Equity		5,568.89	4,716.18
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	395.18	9.13
(ii) Lease Liability	31	11.50	8.25
(iii) Other financial liabilities	13	0.11	-
(b) Provisions	14	42.73	38.56
(c) Deferred tax liabilities (net)	15	152.58	133.55
(d) Other non-current liabilities	16	1.99	2.15
Total Non-current liabilities		604.09	191.64
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	396.06	243.21
(ii) Lease Liability	31	4.48	4.80
(iii) Trade payables :	18		
Dues of micro & small enterprises		72.23	64.03
Dues of others		485.47	600.83
(iv) Other financial liabilities	13	301.81	75.90
(b) Current tax liabilities (net)	19	18.33	11.44
(c) Provisions	14	101.52	103.14
(d) Other current liabilities	16	85.98	57.19
Total Current liabilities		1,465.88	1,160.54
Total Equity and Liabilities		7,638.86	6,068.36

Statement of significant accounting policies and other explanatory notes form part of the financial statements.

As per our report of even date attached

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569
Mumbai
May 24, 2022

For and on behalf of the Board of Directors

Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

	Particulars	Note Ref.		2021-22 (₹ Crores)		2020-21 (₹ Crores)
I	Revenue from operations	20		5,829.79		5,419.99
II	Other income	21		66.57		62.84
III	**Total income (I + II)**			5,896.36		5,482.83
IV	**Expenses:**					
	Cost of materials consumed	22		1,664.20		1,597.14
	Purchase of stock-in-trade	23		480.30		325.95
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24		(129.65)		(194.79)
	Employee benefit expense	25		1,177.39		1,013.57
	Finance cost	26		7.69		9.04
	Depreciation & amortisation expense	27		232.42		209.17
	Other expenses	28		1,328.29		1,133.77
	Total expenses (IV)			4,760.64		4,093.85
V	**Profit from ordinary activity before share of profit / (loss) of associates & joint venture, exceptional items & tax (III - IV)**			1,135.72		1,388.98
VI	Exceptional items			-		-
VII	**Profit before tax (V-VI)**			1,135.72		1,388.98
VIII	Tax expense					
	1. Current tax		207.01		248.65	
	2. Short / (excess) provision of earlier years		0.50		(0.01)	
	3. Deferred tax liability / (asset)		17.26	224.77	(8.50)	240.14
IX	**Profit for the period from continuing operations before share of profit / (loss) of associates & joint venture (VII-VIII)**			910.95		1,148.84
X	Share of Profit / (loss) of associates & joint venture (net of tax) accounted by using the equity method			(21.16)		(7.70)
XI	**Profit for the period from continuing operations before non - controlling interest (IX + X)**			889.79		1,141.14
XII	Less/(Add) : Share of non-controlling interest - profit / (loss)			5.71		1.13
XIII	**Profit for the period attributable to owners of the Company (XI - XII)**			884.08		1,140.01
XIV	**Other comprehensive income**					
A	(i) Items that will not be reclassified to profit or loss :					
	Actuarial gain/ (loss)			1.22		(0.14)
	Fair Value change through Other comprehensive income			0.15		-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			(0.24)		0.02
B	(i) Items that will be reclassified to profit or loss :					
	Exchange difference in translating the financial statement of foreign operation			1.40		(0.99)
	Gain/(loss) on cash flow hedge			0.54		0.65
	(ii) Income tax relating to items that will be reclassified to profit or loss			-		(0.05)
C	Share of OCI from investment in associates			(0.07)		0.11
	Other comprehensive income/(loss) for the year, net of tax (XIV)			3.00		(0.40)
XV	**Total Comprehensive Income for the period (XI + XIV)**			892.79		1,140.74
	Other comprehensive income for the year attributable to:					
	Owners of the parent			2.95		(0.17)
	Non-controlling interest- profit/(loss)			0.05		(0.23)
				3.00		(0.40)
	Total comprehensive income for the year attributable to:					
	Owners of the parent			887.03		1,139.84
	Non-controlling interest- profit/(loss)			5.76		0.90
				892.79		1,140.74
XVI	**Earnings per equity share (Face value of ₹ 1/- each) :**	30				
	Basic (in ₹)			34.85		45.01
	Diluted (in ₹)			34.85		45.01

Statement of significant accounting policies and other explanatory notes form part of the financial statements.

As per our report of even date attached

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569
Mumbai
May 24, 2022

For and on behalf of the Board of Directors

Premchand Godha
Chairman & Managing Director (DIN 00012691)
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Joint Managing Director & CFO (DIN 00012657)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Consolidated Cash Flow Statement for the year ended 31st March, 2022

		2021 - 22 (₹ Crores)		2020 -21 (₹ Crores)	
A.	**Cash Flow from Operating Activities**				
1)	**Net profit before taxation and extraordinary item**		1,135.72		1,388.98
	Adjustments for :				
	Depreciation, amortisation and impairment expense	232.42		209.17	
	Impairment of Intangible Assets	-		15.84	
	(Profit) / Loss on sale of Property, plant & equipment	0.03		-	
	Net gain on financial asset through FVTPL	(2.78)		0.53	
	Property, plant & equipment scrapped / transferred	11.36		2.86	
	Sundry balances written off / (back)	(3.17)		(1.48)	
	Provision for doubtful debts / advances	0.36		0.25	
	Bad debts written off	0.80		0.94	
	Unrealised foreign exchange (gain) / loss	(9.94)		(17.13)	
	(Profit)/Loss on Business Combination	(7.37)		-	
	Interest income	(34.17)		(36.95)	
	Interest expense	7.57	195.11	9.04	183.07
2)	**Operating profit before working capital changes**		1,330.83		1,572.05
	Decrease / (Increase) in Inventories	(249.15)		(271.69)	
	Decrease / (Increase) in Trade Receivables	(80.24)		96.75	
	Decrease / (Increase) in Other Financial assets	34.75		(18.08)	
	Decrease / (Increase) in Other assets	(33.34)		(5.84)	
	Increase / (Decrease) in Trade Payables	(109.69)		55.95	
	Increase / (Decrease) in Other Financial liabilities	135.07		(12.24)	
	Increase / (Decrease) in Other liabilities	26.51		(96.81)	
	Increase / (Decrease) in Provisions	3.34	(272.75)	15.63	(236.33)
3)	**Cash generated from operation**		1,058.08		1,335.72
	Income tax paid (net)		(202.04)		(245.59)
	Net cash from operating activities		856.04		1,090.13
B.	**Cash Flow from Investing Activities**				
	Purchase of Property, plant & equipment including Capital work in progress and Intangible assets	(478.95)		(361.55)	
	Consideration towards Business Combination	(30.11)		-	
	Investment in Associates and Joint Venture	(210.72)		(47.72)	
	Investment in Others	(25.04)		-	
	Loan (given) / recovered - Associates & Joint Venture	9.88		(33.40)	
	Proceeds from Sale of Property,Plant and Equipment	2.84		2.57	
	Movement in other bank balances	(155.98)		(102.37)	
	Interest received	33.03		21.78	
	Net cash from / (used in) investing activities		(855.05)		(520.69)
C.	**Cash Flow from Financing Activities**				
	Issue of Share Capital	-		35.81	
	Increase / (decrease) in short term borrowings	193.34		(160.37)	
	Proceeds from long-term borrowings	413.70		2.83	
	Repayment of long-term borrowings	(66.72)		(68.25)	
	Payment of principal portion of Lease liability	(5.88)		(5.90)	
	Payment of interest portion of Lease liability	(1.28)		(1.49)	
	Interest paid	(4.90)		(6.92)	
	Dividend & dividend tax paid	(101.45)		(101.53)	
	Net cash from / (used in) financing activities		426.81		(305.82)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)		427.80		263.62
	Cash and cash equivalents at beginning of year		559.01		295.39
	Movement due to Business combination		4.12		-
	Cash and cash equivalents at end of the year		990.93		559.01
	Components of cash & cash equivalents :				
	Cash and cheques on hand		0.36		0.39
	Balance with banks		274.83		165.58
	Mutual Funds	719.31		393.83	
	Less : Fair value (gain) / loss on Mutual funds	(3.57)	715.74	(0.79)	393.04
			990.93		559.01

As per our report of even date attached

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569
Mumbai
May 24, 2022

For and on behalf of the Board of Directors

Premchand Godha
Chairman & Managing Director (DIN 00012691)
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Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Consolidated Statement of changes in equity for the year ended March 31, 2022

A. Equity Share Capital

(1) Current reporting period as on 31.03.2022 **(₹ Crores)**

Balance at the beginning of the current reporting period	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 the current reporting period
25.37	-	25.37	-	25.37

(2) Previous reporting period as on 31.03.2021 **(₹ Crores)**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
25.27	-	25.27	0.10	25.37

(Refer Note no.10)

(B) Other Equity

(1) Current reporting period as on 31.03.2022

(₹ Crores)

Particulars	Reserves and Surplus					Other Comprehensive Income			Equity attributable to owners of the company	Non-controlling interest	Total
	Capital reserve	Securities premium	Other Reserves		Retained earnings	Equity Instruments through OCI**	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operation			
			Capital redemption reserve	General reserve							
Balance at the beginning of the current reporting period (01.04.2021)	6.59	96.52	0.26	1,311.05	3,247.75	-	(0.65)	14.76	4,676.28	14.53	4,690.81
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period (01.04.2021)	6.59	96.52	0.26	1,311.05	3,247.75	-	(0.65)	14.76	4,676.28	14.53	4,690.81
Total Comprehensive Income for the year (2021-22):											
I) Profit for the period	-	-	-	-	884.08	-	-	-	884.08	5.71	889.79
II) Other Comprehensive Income(net of tax)	-	-	-	-	0.94 *	0.12	0.45	1.44	2.95	0.05	3.00
III) Total Comprehensive Income (I+II)	-	-	-	-	885.02	0.12	0.45	1.44	887.03	5.76	892.79
Dividends	-	-	-	-	(101.48)	-	-	-	(101.48)	-	(101.48)
Impact of Acquisition of Non Controlling Interest in a subsidiary	-	-	-	-	4.77	-	-	-	4.77	56.63	61.40
Balance at the end of the current reporting period (31.03.2022)	6.59	96.52	0.26	1,311.05	4,036.06	0.12	(0.20)	16.20	5,466.60	76.92	5,543.52

* Represents Actuarial Gain/(Loss) on defined benefit obligation (not to be reclassified to P&L).

** Represents fair value of investments through OCI(not reclassified to P&L)

IPCA LABORATORIES LIMITED

Consolidated Statement of changes in equity for the year ended March 31, 2022

(2) Previous reporting period as on 31.03.2021

(₹ Crores)

Particulars	Reserves and Surplus					Other Comprehensive Income			Equity attributable to owners of the company	Non-controlling interest	Total
	Capital reserve	Securities premium	Other Reserves		Retained earnings	Equity Instruments through OCI	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operation			
			Capital redemption reserve	General reserve							
Balance at the beginning of the previous reporting period (01.04.2020)	6.59	48.87	0.26	1,311.05	2,209.23	-	(1.19)	15.46	3,590.27	13.63	3,603.90
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period (01.04.2020)	6.59	48.87	0.26	1,311.05	2,209.23	-	(1.19)	15.46	3,590.27	13.63	3,603.90
Total Comprehensive Income for the year (2020-21):											
I) Profit for the period	-	-	-	-	1,140.01	-	-	-	1,140.01	1.13	1,141.14
II) Other Comprehensive Income(net of tax)	-	-	-	-	(0.01)*	-	0.54	(0.70)	(0.17)	(0.23)	(0.40)
III) Total Comprehensive Income (I+II)	-	-	-	-	1,140.00	-	0.54	(0.70)	1,139.84	0.90	1,140.74
Dividends	-	-	-	-	(101.48)	-	-	-	(101.48)	-	(101.48)
Share premium received during the year	-	47.65	-	-	-	-	-	-	47.65	-	47.65
Balance at the end of the previous reporting period (31.03.2021)	6.59	96.52	0.26	1,311.05	3,247.75	-	(0.65)	14.76	4,676.28	14.53	4,690.81

* Represents Actuarial Gain/(Loss) on defined benefit obligation (not to be reclassified to P&L).

Statement of significant accounting policies and other explanatory notes form part of the financial statements.

As per our report of even date attached

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Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

IPCA LABORATORIES LIMITED

Statement of Significant Accounting Policies and Other Explanatory Notes

(A) Corporate Information

Ipca Laboratories Limited (CIN L24239MH1949PLC007837) incorporated in the year 1949, is a integrated pharmaceutical company manufacturing and marketing over 350 formulations and 80 API's covering various therapeutic segments. The products of the Company are sold in over 100 countries across the globe. The Company has 18 manufacturing units in India manufacturing API's and formulations for the world market.

Authorization of consolidated financial statements

The consolidated financial statements were authorised for issue in accordance with a resolution of the Directors on May 24, 2022.

(B) Principles of Consolidation:

The consolidated financial statements relates to the Company, and its various Subsidiaries (the holding and subsidiaries together referred to as "The Group", Associates and its Joint Venture. The consolidated financial statements have been prepared in accordance with Indian Accounting Standard - 110 "Consolidated Financial Statement", Indian Accounting Standard - 28 "Investment in Associate and Joint Venture" of the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act. The consolidated financial statements have been prepared on the following basis: -

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

In case of foreign subsidiaries, revenue items are consolidated at average rate prevailing during the year. All Assets and Liabilities are converted at the rates prevailing at the end of the year. Exchange gain or loss on conversion arising on consolidation is recognized under foreign currency translation reserve.

Associates are entities over which the Group has significant influence but not control. Investments in associates and Joint Venture are accounted for using the equity method of accounting as per Indian Accounting Standard - 28 "Investment in Associate and Joint Venture". The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

The consolidated financial statements of the Subsidiaries, Associates and Joint Venture used in consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March.

The difference between the cost to the Company of its investments in the subsidiary / associates / joint venture over the Company's portion of equity is recognized in the financial statement as Goodwill on consolidation or Capital Reserve.

The list of subsidiary companies, associates and joint venture included in consolidation and Group Company's holding therein are as under: -

Name of the Companies	Relationship	Country of Incorporation	% of ultimate holding	
			2021-22	2020-21
Ipca Pharmaceuticals, Inc. USA	Subsidiary	USA	100.00	100.00
Ipca Laboratories (U.K.) Ltd.	Subsidiary	UK	100.00	100.00
Ipca Pharma Nigeria Ltd.	Subsidiary	Nigeria	100.00	100.00
Ipca Pharma (Australia) Pty.Ltd.	Subsidiary	Australia	100.00	100.00
Ipca Pharmaceuticals Ltd.,SA de CV	Subsidiary	Mexico	100.00	100.00
Tonira Exports Ltd.	Subsidiary	India	100.00	100.00
Ramdev Chemical Pvt. Ltd	Subsidiary	India	100.00	100.00
Onyx Scientific Ltd. (Subsidiary of Ipca Laboratories (U.K.) Ltd.)	Step down subsidiary	UK	100.00	100.00
Pisgah Laboratories Inc.(Subsidiary of Ipca Pharmaceuticals Inc, USA)	Step down subsidiary	USA	100.00	100.00
Bayshore Pharmaceuticals LLC. (Subsidiary of Ipca Pharmaceuticals Inc, USA)	Step down subsidiary	USA	100.00	80.00
Ipca Pharma (NZ) Pty. Ltd. (Subsidiary of Ipca Pharma (Australia) Pty.Ltd.)	Step down subsidiary	New Zealand	100.00	100.00
Trophic Wellness Pvt. Ltd.	Changed from Associate to subsidiary w.e.f. 11th June 2021	India	52.35	39.26
Avik Pharmaceutical Ltd.	Joint Venture	India	50.00	48.99
Lyka Labs Ltd. (w.e.f. 24.11.2021)	Associate	India	26.58	-
CCPL Software Private Ltd.#	Associate	India	28.95	28.95
Krebs Biochemicals & Industries Ltd.	Associate	India	49.65	44.67

cost fully written off in the books.

(C) Basis of Preparation

a) Statement of compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

a) certain financial assets and liabilities (including derivative instruments) are measured at fair value; and

b) defined benefit plans - plan assets measured at fair value

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.

b) Use of Judgements, Estimates and assumption

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the consolidated financial statements.

The financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods .

i. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii Defined benefit plans (gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

iii. Useful lives of Property, plant and equipment

The group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

iv. Impairment of Property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

v. Impairment of investment

For determining whether the investments in subsidiaries, joint venture and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

vi. Inventories

The Group estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

vii. Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

viii. Impairment of Goodwill

The Company estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital and estimated operating margins.

ix. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(D) Summary of Significant Accounting Policies

(a) Current and Non-current Classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, Plant and Equipment

(i) Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.

(ii) Long-term lease arrangements of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.

(iii) Stores and spares which meet the definition of Property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, Plant and Equipment.

(iv) Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the property, plant and equipment of the project proportionately on capitalisation.

(v) Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for its intended use.

(vi) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(vii) The residual useful life of Property, plant & equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.

(viii) Depreciation methods, estimated useful lives and residual value

Depreciation on all assets of the Company is charged on straight line method over the useful life of assets mentioned in Schedule II to the Companies Act , 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows :

Assets	Estimated useful life (Years)
Leasehold land	Period of Lease
Buildings	28 to 58
Roads	3 to 10
Plant and equipment and R&D equipment	9 to 22
Office and other equipment	5
Computers	3 to 6
Furniture and fixtures	10
Vehicles	6 to 8
Leasehold improvements	Period of Lease

(ix) Assets classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Assets are not depreciated or amortised while they are classified as held for sale. Assets classified as held for sale are presented separately from the other assets in the balance sheet.

(c) Goodwill

Goodwill on acquisition

Goodwill on acquisition represents excess of consideration paid for acquisition of business over the fair value of net assets. Goodwill is not amortised but is tested for impairment at each reporting date.

Goodwill on consolidation

Goodwill on consolidation represents excess cost of investment over the company's share of equity that is carried in balance sheet and is tested for impairment at each reporting date.

(d) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Intangible assets with infinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of infinite life is reviewed annually to determine whether the infinite life continues to be supportable. If not, the change in useful life from infinite to finite is made on a prospective basis.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless product's technological feasibility as well as other related conditions have been established, in which case such expenditures are capitalised. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

The management has estimated the economic useful life for the various intangible assets as follows:

Assets	Estimated useful life (Years)
Brands and trademarks	4
Technical know how	4 to 10
Software for internal use	4
Research and Development	7

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets under development

The Company capitalises acquired intangible asset under development in accordance with the accounting policy. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation, discount rates to be applied and the expected period of benefits. The innovative nature of the product gives rise to some uncertainty as to whether the final approval for the products will be obtained.

(e) Borrowings

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

(f) Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Venture and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Inventories

Items of inventories are valued at lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and Net realisable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out basis.
Work-in-progress and Finished Goods	At lower of cost (material cost net of refundable taxes, labour cost and all manufacturing overheads) and net realisable value.
Stores and Spares	Stores and spare parts are valued at lower of purchase cost computed on First-in-First-out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of purchase cost and net realisable value.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, estimated shelf life, price changes, introduction of competitive new products and such other related factors.

Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overhead incurred in bringing such items of inventory to its present location and condition.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

(i) Provisions, Contingent liabilities & contingent assets

Provision

A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(j) Retirement and Other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

Gratuity, a post employment defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated Absences

The Company has a policy on compensated absences 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.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia, bonus and performance incentive are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(k) Foreign Currencies

Transactions and Balances:

(i) The functional currency of the company is the Indian rupee. These consolidated financial statements are presented in Indian rupees.

(ii) Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction where the settlement of such transactions are taking place at a later date.The exchange gain/loss on settlement / negotiation during the year is recognised in the statement of profit and loss. In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

(iii) Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the Statement of Profit and Loss.

(iv) Non Monetary items that are measured at historical cost denominated in foreign currency are translated using exchange rate at the date of transaction.

(v) For the purposes of presenting these consolidated financial statements, the assets and liabilities of Group's foreign operations, are translated to the Indian Rupees at exchange rates at the end of each reporting period. The income and expenses of such foreign operations are translated at the average exchange rates for the period. Resulting foreign currency differences are recognized in other comprehensive income / (loss) and presented within equity as part of Foreign Currency Translation Reserve (and attributed to non-controlling interests as appropriate).

(l) Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

(m) Financial Instruments

(i) Financial Assets & Financial Liabilities

Initial Recognition and Measurement

All financial assets and liabilities are recognised initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of Financial Instruments

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(ii) Derivative Financial Instruments and Hedge Accounting

Initial Recognition and Subsequent Measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the Statement of Profit and Loss.

Cash Flow Hedge

The company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

(n) Investments

Investment in LLP

Investment in LLP is carried at Fair Value through OCI(FVTOCI) in the consolidated financial statements.

(o) Revenue recognition

(i) The Group derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns, product expiry claims and discounts.

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

To recognize revenues, the Group applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Group performance; or
2. The Group performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Where Revenue is recognized over time, the amount of revenue is determined on the basis of contract costs incurred in relation to estimated contract expenses.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group presents revenues net of indirect taxes in its statement of profit and loss.

(ii) In case of export benefits which are in the nature of neutralisation of duties and taxes are grouped under material costs. Other export incentives are grouped under other operating revenue.

(iii) Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.

(iv) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

(p) Taxes

Tax expenses comprises of:

(i) Current Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred Tax:

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(iii) MAT Credit:

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the Statement of Profit and Loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

(q) Leases

Company as a lessee

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below.

Right-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(r) Earnings Per Share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(s) Dividend Distribution

Dividend distribution to the Holding Company's equity holders is recognized as a liability in the Holding Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

(t) Share-based payment transactions

Employees Stock Options Plans ("ESOPs"): The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Employee Stock Options Outstanding reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

(u) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained. Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Group. Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies. The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

(v) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

The above criteria is also used for recognition of incentives under various scheme notified by the Government. When the grant relates to an asset, the Company deducts such grant amount from the carrying amount of the asset.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

1 Property, Plant & Equipment

(₹ Crores)

Particulars	Freehold Land	Long -term Leasehold Land	Building	Plant & equipment	Office & other equipment	Effluent treatment plant	Furniture & Fixture	Vehicles	R&D building	R&D equipment	R&D furniture	Total
Gross Block												
As on April 01, 2020	96.78	107.10	584.32	1,599.30	24.50	85.55	54.29	19.38	12.24	128.67	2.73	2,714.86
Additions	0.94	7.08	19.66	201.17	2.32	3.47	2.15	2.27	-	4.99	0.03	244.08
Disposals/Adjustments	(0.83)	(0.86)	(7.19)	(6.89)	(0.18)	(0.16)	(0.07)	(1.51)	-	(0.12)	-	(17.81)
As on March 31, 2021	96.89	113.32	596.79	1,793.58	26.64	88.86	56.37	20.14	12.24	133.54	2.76	2,941.13
Additions	8.08	0.34	110.11	274.06	3.89	20.96	5.10	3.93	0.65	22.11	0.15	449.38
Disposals/Adjustments	(2.97)	-	(5.74)	(22.17)	(0.31)	-	(0.82)	(1.40)	(8.82)	1.30	-	(40.93)
Acquisition through business combinations	-	-	8.78	17.42	0.61	0.17	0.33	0.09	-	-	-	27.40
As on March 31, 2022	**102.00**	**113.66**	**709.94**	**2,062.89**	**30.83**	**109.99**	**60.98**	**22.76**	**4.07**	**156.95**	**2.91**	**3,376.98**
Accumulated Depreciation/ Amortisation												
As on April 01, 2020	-	6.48	92.74	558.01	18.07	31.59	27.56	12.82	2.54	67.47	1.26	818.54
For the year 2020-21	-	3.33	20.02	128.03	2.20	6.67	5.37	1.67	0.51	13.51	0.26	181.57
Disposals/Adjustments	-	(0.04)	(1.15)	(3.43)	(0.14)	(0.09)	(0.07)	(1.35)	-	(0.05)	-	(6.32)
As on March 31, 2021	-	9.77	111.61	682.61	20.13	38.17	32.86	13.14	3.05	80.93	1.52	993.79
Acquisition through business combinations	-	-	1.28	5.99	0.50	0.02	0.12	0.01	-	-	-	7.92
For the year 2021-22	**-**	**3.58**	**22.29**	**145.10**	**2.36**	**7.25**	**5.46**	**2.03**	**0.44**	**13.56**	**0.28**	**202.35**
Disposals/Adjustments	-	-	(1.26)	(10.14)	(0.28)	0.02	(0.53)	(1.25)	(2.27)	0.72	-	(14.99)
As on March 31, 2022	**-**	**13.35**	**133.92**	**823.56**	**22.71**	**45.46**	**37.91**	**13.93**	**1.22**	**95.21**	**1.80**	**1,189.07**
Net Block as on March 31, 2021	96.89	103.55	485.18	1,110.97	6.51	50.69	23.51	7.00	9.19	52.61	1.24	1,947.34
Net Block as on March 31, 2022	**102.00**	**100.31**	**576.02**	**1,239.33**	**8.12**	**64.53**	**23.07**	**8.83**	**2.85**	**61.74**	**1.11**	**2,187.91**

Notes:

1. Buildings include cost of shares in Co-operative societies.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

2. The above includes the Company's investments in renewal source of energy for captive consumption. The details are as under:

(₹ Crores)

Particulars	Freehold Land	Building	Equipment	Total
Gross Block				
As on April 01, 2020	1.00	-	17.13	18.13
Additions	0.88	-	17.96	18.84
Disposals/Adjustments	-	-	-	-
As on March 31, 2021	1.88	-	35.09	36.97
Additions	8.08	0.11	0.05	8.24
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	9.96	0.11	35.14	45.21
Accumulated Depreciation/ Amortisation				
As on April 01, 2020	-	-	0.14	0.14
For the year 2020-21	-	-	1.04	1.04
Disposals/Adjustments	-	-	-	-
As on March 31, 2021	-	-	1.18	1.18
For the year 2021-22	-	-	1.52	1.52
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	-	-	2.70	2.70
Net Block as on March 31, 2021	1.88	-	33.91	35.79
Net Block as on March 31, 2022	9.96	0.11	32.44	42.51

3. Additional disclosure in view of amendments to the Schedule III to the Companies Act, 2013 vide Notification dated 24th March, 2021:

(i) Title deeds of Immovable Properties not held in name of the Company as on 31.03.2022

(₹ Crores)

Particulars	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, plant & equipment	Freehold Land	37.90	Noble Explochem Limited	No	22.01.2020	Acquisition under the Insolvency & Bankruptcy Code, 2016. Name transfer work is in progress.
	Leasehold Land	24.50				
	Buildings	10.63				

(ii) Title deeds of Immovable Properties not held in name of the Company as on 31.03.2021

(₹ Crores)

Particulars	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, plant & equipment	Freehold Land	37.90	Noble Explochem Limited	No	22.01.2020	Acquisition under the Insolvency & Bankruptcy Code, 2016. Name transfer work is in progress.
	Leasehold Land	24.50				
	Buildings	9.67				

(iii) Capital-Work-in Progress (CWIP) as on 31.03.2022, ageing schedule is as under: **(₹ Crores)**

Sr. no.	CWIP	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	250.28	39.06	2.04	-	291.38
2	Projects temporarily suspended	-	-	0.56	1.91	2.47
	Total	250.28	39.06	2.60	1.91	293.85

(iv) Completion Schedule in respect of Capital-Work-in Progress (CWIP) as on 31.03.2022, whose completion is overdue or has exceeded its cost compared to its original plan is as under :- **(₹ Crores)**

Sr. no.	CWIP Project details	To be completed in				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	**Projects in progress:**					
i	Installation of packing lines at SEZ, Pithampur.	15.87	-	-	-	15.87
ii	Other Projects: Individual project costing less than ₹ 10 Crores at various manufacturing locations.	50.23	-	-	-	50.23
	Total	66.10	-	-	-	66.10
2	**Projects Temporarily suspended:**					
i	Various small projects	0.40	2.07	-	-	2.47
	Total	66.50	2.07	-	-	68.57

(v) Capital-Work-in Progress (CWIP) as on 31.03.2021, ageing schedule is as under: **(₹ Crores)**

Sr. no.	CWIP	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	161.99	5.97	5.59	7.64	181.19
2	Projects Temporarily suspended	-	0.56	0.16	1.75	2.47
	Total	161.99	6.53	5.75	9.39	183.66

(vi) Completion Schedule in respect of Capital-Work-in Progress (CWIP) as on 31.03.2021, whose completion is overdue or has exceeded its cost compared to its original plan is as under :- **(₹ Crores)**

Sr. no.	CWIP Project details	To be completed in				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	**Projects in progress:**					
i	Various projects: Individual project costing less than ₹ 10 Crores at various locations.	16.93	7.24	-	-	24.17
	Total	16.93	7.24	-	-	24.17
2	**Projects Temporarily suspended:**					
i	Various small projects	-	0.40	2.07	-	2.47
	Total	16.93	7.64	2.07	-	26.64

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

1A Goodwill :

I : Goodwill on Consolidation

The Goodwill represents the excess of the consideration paid over the fair value of assets and liabilities of subsidiaries. This Goodwill is being tested for impairment at each balance sheet date.

(₹ Crores)

Particulars	Amount
Gross Block	
As on April 1, 2020	38.83
Additions	-
Disposals/Adjustments	-
As on March 31, 2021	38.83
Additions	7.56
Disposals/Adjustments	-
As on March 31, 2022	46.39
Accumulated Impairment	
As on April 1, 2020	-
For the year 2020-21	-
Disposals/Adjustments	-
As on March 31, 2021	-
For the year 2021-22	-
Disposals/Adjustments	-
As on March 31, 2022	-
Net Block as on March 31, 2021	38.83
Net Block as on March 31, 2022	46.39

II : Goodwill on Acquisition

The Goodwill represents the excess of the consideration paid over the fair value of assets and liabilities of industrial undertaking situated at Mahad and Aurangabad Unit-II. This Goodwill is being tested for impairment at each balance sheet date. The Goodwill relating to Pithampur, which was fully impaired , has been charged off during the year.

(₹ Crores)

Particulars	Amount
Gross Block	
As on April 1, 2020	23.61
Additions	-
Disposals/Adjustments	-
As on March 31, 2021	23.61
Additions	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	7.77
Accumulated Impairment	
As on April 1, 2020	-
For the year 2020-21	15.84
Disposals/Adjustments	-
As on March 31, 2021	15.84
For the year 2021-22	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	-
Net Block as on March 31, 2021	7.77
Net Block as on March 31, 2022	7.77

1B : Other Intangible Assets

(₹ Crores)

Particulars	Software	Brand / Trade Mark	Know-How	Software - R&D	Product Related Intangible	Total
Gross Block						
As on April 1, 2020	38.94	5.90	62.03	3.46	71.97	182.30
Additions	10.17	-	-	0.26	0.20	10.63
Disposals/Adjustments	-	(0.05)	(5.77)	-	(4.74)	(10.56)
As on March 31, 2021	49.11	5.85	56.26	3.72	67.43	182.37
Additions	6.53	-	-	0.63	43.05	50.21
Disposals/Adjustments	(2.45)	-	1.59	-	2.20	1.34
Acquisition through business combinations	0.06	62.99	-	-	-	63.05
As on March 31, 2022	53.25	68.84	57.85	4.35	112.68	296.97
Accumulated Depreciation / Amortisation						
As on April 1, 2020	28.29	5.44	49.45	2.84	22.44	108.46
For the year 2020-21	5.33	-	2.63	0.38	8.52	16.86
Disposals/Adjustments	-	-	(5.36)	-	(0.63)	(5.99)
As on March 31, 2021	33.62	5.44	46.72	3.22	30.33	119.33
Acquisition through business combinations	0.06	2.73	-	-	-	2.79
For the year 2021-22	6.41	0.26	2.52	0.33	10.70	20.22
Disposals/Adjustments	(2.45)	-	1.44	-	1.03	0.02
As on March 31, 2022	37.64	8.43	50.68	3.55	42.06	142.36
Net Block as on March 31, 2021	15.49	0.41	9.54	0.50	37.10	63.04
Net Block as on March 31, 2022	15.61	60.41	7.17	0.80	70.62	154.61

Range of remaining period of amortisation as at March 31,2022 of Intangible assets is as below :

(₹ Crores)

Assets	Range of remaining period of amortisation				
	< 5 year	5-10 year	>10 year	Perpetual	Net Block
Software	15.61	-	-	-	15.61
Brand / Trade Mark	0.41	-	-	60.00	60.41
Know-How	3.27	3.90	-	-	7.17
Software - R&D	0.80	-	-	-	0.80
Product Related Intangible	29.84	40.78	-	-	70.62
Total	49.93	44.68	-	60.00	154.61

Range of remaining period of amortisation as at March 31, 2021 of Intangible assets is as below :

(₹ Crores)

Assets	Range of remaining period of amortisation				
	< 5 year	5-10 year	>10 year	Perpetual	Net Block
Software	15.49	-	-	-	15.49
Brand / Trade Mark	0.41	-	-	-	0.41
Know-How	5.15	4.39	-	-	9.54
Software - R&D	0.50	-	-	-	0.50
Product Related Intangible	5.26	31.84	-	-	37.10
Total	26.81	36.23	-	-	63.04

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

2 Financial Assets - Investments

Investments in Joint Venture / Associates at Cost

(₹ Crores)

Sr. no.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Equity instrument in Joint Venture	7.62	5.65
2	Equity instrument in Associates	107.07	71.61
	Total	114.69	77.26
2A	**Other Non-Current Investments**		
	Investment in Share Warrants in Associates	-	4.17
	Investment in Preference shares in Associates	130.00	30.00
	Investment in Equity	0.04	-
	Investment in LLP	25.15	-
	Total	155.19	34.17
2B	**Current Investments**		
	Investment in Mutual fund	719.31	393.83
	Total	719.31	393.83

2 Investment in Joint Venture / Associates

Sr. no.	Name of the body corporate	Relationship	Face value	Extent of holding (%) No. of shares		(₹ Crores)	
				As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Non-Current Investment							
Investments at cost							
(1)	**Unquoted equity shares**						
i)	**Investment in Equity Instruments (at cost)**						
1	Avik Pharmaceutical Ltd.	Joint Venture	₹ 100	50.00%	48.99%	7.62	5.65
				5,44,000	5,33,000		
2	CCPL Software Pvt.Ltd. #	Associate	₹ 100	28.95%	28.95%	-	-
				55,000	55,000		
3	Trophic Wellness Pvt. Ltd.	Changed from Associate to Subsidiary w.e.f. 11th June 2021	₹ 10	-	39.26%	-	55.00
				-	15,90,000		
	Total (i)					7.62	60.65
ii)	**Investment in preference shares (at cost)**						
1	Krebs Biochemicals & Industries Ltd. (9% Non convertible, Redeemable & Non Cumulative Preference shares)	Associate	₹ 100	100.00%	100.00%	130.00	30.00
				1,30,00,000	30,00,000		
	Total (ii)					130.00	30.00
iii)	**Investment in convertible Share Warrants (partly paid) (at cost)**						
1	Krebs Biochemicals & Industries Ltd.	Associate	₹ 10	-	19,40,000	-	4.17
	Total (iii)					-	4.17
	Total unquoted investments (i+ii+iii)					137.62	94.82
(2)	**Quoted equity shares**						
	Investment in equity instruments (at cost)						
1	Krebs Biochemicals & Industries Ltd.	Associate	₹ 10	49.65%	44.67%	11.38	16.61
				1,07,05,195	87,65,195		
2	Lyka Labs Ltd. (w.e.f 24th November 2021)	Associate	₹ 10	26.58%	-	95.69	-
				76,24,923	-		
	Total quoted investments					107.07	16.61
	Total Non Current Investments in Equity Instruments at cost (1(i)+2)					114.69	77.26

Cost fully written off in books.

i) Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate book value of quoted investments	107.07	16.61
Aggregate market value of quoted investments	256.91	77.88
Aggregate book value of unquoted investments	137.62	94.82

ii) Details of Investments in Joint Venture / Associates at Cost

a) Avik Pharmaceutical Ltd., India

During the year 2013-14 the Company had acquired 49.02% of shares in Avik Pharmaceutical Ltd. Avik is manufacturing APIs, primarily Cortico Steroids and Hormones since 1980. Avik is pioneer in the manufacturing of steroids in India. Avik's two manufacturing facilities are located at Vapi, Gujarat. During the year 2018-19, the Company has been allotted 33,000 shares under right issue. Further, during the current year 2021-22, the company has acquired additional 11,000 share. Now Company's holding in Avik Pharma is 50.00%.

b) Trophic Wellness Pvt. Ltd., India

Trophic Wellness Pvt. Ltd. was incorporated in 2010 and is headquartered in Mumbai, India. The Company has acquired shareholding to the extent of 19.26% during the year 2010-11 & additional 20% during the year 2020-21 in Trophic Wellness Pvt. Ltd. Trophic Wellness Pvt. Ltd. is engaged in the manufacturing and marketing of nutraceuticals with its manufacturing unit situated in Sikkim. During the year company has acquired additional shareholding to the extent of 13.09%. Now Company's holding in Trophic is 52.35%. Also, w.e.f 11th June 2021, the status of Trophic Wellness Private Limited is changed from Associate to Subsidiary.

c) Krebs Biochemicals & Industries Ltd., India

Krebs Biochemicals and Industries Ltd. was established in 1991. During the financial year 2014-15, Krebs Biochemicals and Industries Ltd. became an associate company. Krebs undertakes both contract manufacturing for large pharmaceutical and multinational companies and develops products for sale in global markets. Krebs is listed on NSE and BSE and is headquartered in Vishakhapatnam, India with manufacturing plants in Nellore and Vizag. Expertise and infrastructure in the areas of chemical synthesis, fermentation and enzymatic technologies along with a focus on cost and quality makes Krebs a logical partner of the Company for the development and supply of products made using one or more of these technologies.

Equity Shares - During the year 2019-20 company has been allotted 13,70,000 equity shares resulting into increase in holding to the extent of 44.67%. Further, during the current year 2021-22, the company has been allotted 19,40,000 shares upon conversion of share warrants. Now company's holding in Krebs is 49.65%.

Preference Shares - During the year 2019-20 Company has been allotted 30,00,000, 9% preference shares (non convertible, redeemable & non cumulative) of ₹100/- each. Further, during the current Year 2021-22 company has been allotted 1,00,00,000, 9% preference shares (non convertible, redeemable & non cumulative) of ₹ 100/- each. Now company has 1,30,00,000, 9% preference shares (non convertible, redeemable & non cumulative) of ₹ 100/- each.

d) Lyka Labs Limited., India

Lyka Labs Limited was incorporated in 1976. During the year, the company has acquired 26.58% shareholding of Lyka. Lyka Labs Limited is engaged in the business of manufacturing and marketing of injectables, lyophilized injectables and topical formulations. Lyka's Manufacturing facility is situated at Ankleshwar, Gujarat. Lyka's shares are listed at BSE & NSE. The company has entered into a joint management control agreement with the promoters of the said company and the Company is in the process of appointing its nominee as a director of Lyka Labs Limited.

e) Disclosure as per Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/ entities identified in any manner whatsoever by or on behalf of the Group ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

f) The Group has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding party") with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (ultimate beneficiaries); or provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

2A Other Long term Investments

Sr. no.	Name of the body corporate	Relationship	Face Value	No. Of Shares		(₹ Crores)	
				As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(i)	**Investments at fair value through P&L (fully paid)**						
	Unquoted equity shares						
1	Gujarat Industrial Co-Op Bank Ltd.	Others	₹ 50	140	140	-	-
2	Narmada Clean Tech.	Others	₹ 10	35,000	35,000	0.04	-
3	BEIL Infrastructure Ltd. #	Others	₹ 10	1,134	1,134	-	-
Total						0.04	-

Value of shares ₹ 11,340/-

(₹ Crores)

Particulars		As at March 31, 2022	As at March 31, 2021
(ii)	**Investments at fair value through OCI (Unquoted)**		
	Investment in ABCD Technologies LLP (refer note below)	25.15	-
Total		25.15	-

Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate book value of unquoted investments	25.19	-

Note: Investment in ABCD Technologies LLP :

During the year the company has made a strategic investment of ₹ 25 crores in ABCD Technologies LLP. ABCD Technologies LLP will, through its investment entities, engage in the objective of digitizing health care infrastructure in India. The investment is accounted as Fair Value through other comprehensive income (FVTOCI) as per Company's election in accordance with Ind AS 109- Financial Instruments. The Company has a 4.03% share of profit/loss and voting rights. Pursuant to limited liability partnership agreement, the contribution made by the Company has a lock-in period of 3 years from the date of investment till April 30, 2024.

2B Current Investments

Sr. no.	Name of the Mutual Fund Scheme	No. Of Units		₹ Crores	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Quoted investments					
Investments at fair value through P&L (fully paid)					
A.	**Investments in Mutual Fund**				
	ICICI Prudential Liquid Fund- Growth	-	3,09,859	-	9.39
	Aditya Birla Sun Life Liquid Fund- Regular Growth	44,73,764	39,19,138	152.30	129.06
	Kotak Liquid Scheme - Growth	64,798	3,94,714	27.73	163.44
	Nippon India Liquid Fund-Growth	1,35,045	1,00,268	69.74	50.11
	INVESCO India Liquid fund- Growth	68,874	1,48,865	20.01	41.83
	Aditya Birla Sun Life Savings Fund - Direct -Growth	3,58,979	-	15.99	-
	Aditya Birla Sun Life Money Manager Fund-Direct -Growth	2,46,094	-	7.36	-
	Aditya Birla Sun Life Low Duration Fund-Direct -Growth	6,07,786	-	35.15	-
	Axis Money Market Fund-Direct -Growth	1,43,584	-	16.54	-
	HDFC Money Market Fund-Direct -Growth	80,903	-	37.66	-
	ICICI Prudential Money Market Fund-Direct-Growth	10,75,433	-	33.00	-
	Kotak FMP Series 294 - Direct - Growth	4,99,97,500	-	50.04	-
	Kotak Money Market Fund-Direct - Growth	1,68,598	-	61.04	-
	L&T Overnight Fund - Growth	63,382	-	10.00	-
	Nippon India Low Duration Fund -Direct-Growth	1,10,797	-	35.11	-

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

Sr. no.	Name of the Mutual Fund Scheme	No. Of Units		₹ Crores	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Nippon India Money Market Fund-Direct-Growth	1,59,353	-	53.39	-
	Nippon India Quarterly Interval Fund - Series 3 - Direct - Growth	1,73,87,008	-	30.08	-
	SBI Liquid Fund - Growth	18,204	-	6.03	-
	SBI Fixed Maturity Plan (FMP)- Series 62 (191 Days) - Regular - Growth	1,49,99,250	-	15.00	-
	Tata Liquid Fund - Growth	45,016	-	15.00	-
	Tata Money Market Fund-Direct-Growth	73,558	-	28.14	-
	Total Current Investments			719.31	393.83

Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate book value of quoted investments	719.31	393.83
Aggregate market value of quoted investments	719.31	393.83

Details of loans given, investments made, guarantees given and security provided covered under section 186(4) of the Companies Act,2013 are given hereunder:

(₹ Crores)

Sr. no.	Name of the party	Nature	Relation	Purpose	2021-22	2020-21
1	Krebs Biochemicals & Industries Ltd.	Loan	Associate	Loan given for business purpose	24.95	55.00
2	Krebs Biochemicals & Industries Ltd.	Loan	Associate	Refund of Loan	(89.42)	(21.00)
3	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Equity Share Contribution	16.68	13.93
4	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Conversion of Share warrant into Equity Shares	(4.17)	(3.48)
5	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Preference Share contribution	100.00	-
6	Avik Pharmaceutical Ltd.	Investment	Joint Venture	Equity Share contribution	0.11	-
7	Avik Pharmaceutical Ltd.	Investment	Joint Venture	Refund of Loan	(0.40)	-
8	Lyka Labs Ltd.	Investment	Associate	Equity Share contribution	98.11	-
9	Lyka Labs Ltd.	Loan	Associate	Loan for business purpose	55.00	-
10	Trophic Wellness Pvt. Ltd.	Investment	Changed from Associate to subsidiary w.e.f. 11th June 2021	Equity Share contribution	21.20	37.27
11	Makers Laboratories Ltd.	Loan	Related Party	Loan given for business purpose	6.40	-
12	Other non-related corporate body	Loan	Other non-related corporate body	Loan given	35.00	-
13	Other non-related corporate body	Loan	Other non-related corporate body	Refund of Loan	(35.00)	-
	Total				228.46	81.72

The disclosure under section 186(4) of the Act is made at transaction value before Ind AS effects.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

The Associates and Joint venture of the Holding Company and the ownership interest for the year 2021-22 are as follows: -

(₹ Crores)

Particulars	CCPL Software Private Ltd.	Krebs Biochemicals & Industries Ltd.	Lyka Labs Ltd.	Avik Pharmaceutical Ltd.	Total
% of Share held for 2020-21	28.95%	44.67%	-	48.99%	
Original cost of Investment	1.31	62.08	-	6.84	68.92
(Goodwill)/Capital Reserve	(0.79)	(61.80)	-	(10.84)	
Accumulated Profit/ (Loss) up to 31/03/2021	(0.51)*	(45.61)	-	(1.30)	(46.91)
Accumulated other comprehensive income up to 31/03/2021	-	0.14	-	0.11	0.25
% of Share held for 2021-22	28.95%	49.65%	26.58%	50.00%	
Increase in Investment during the year 2021-22	-	16.68	98.10	0.11	114.89
(Goodwill)/Capital Reserve increase during the year	-	(18.81)	(92.25)	(0.12)	
Share of Profit / (Loss) for the year 2021-22	*	(21.74)	(2.48)	1.83	(22.39)
Share of Other comprehensive income for the year 2021-22	-	(0.17)	0.07	0.03	(0.07)
Carrying value of Investment on 31/03/2022	NIL**	11.38	95.69	7.62	114.69

The Associates and Joint venture of the Holding Company and the ownership interest for the year 2020-21 are as follows: -

(₹ Crores)

Particulars	CCPL Software Private Ltd.	Krebs Biochemicals & Industries Ltd	Trophic Wellness Pvt. Ltd.	Avik Pharmaceutical Ltd.	Total
% of Share held for 2019-20	28.95%	39.69%	19.26%	48.99%	
Original cost of Investment	1.31	48.15	12.34	6.84	67.33
(Goodwill)/Capital Reserve	(0.79)	(46.44)	1.73	(10.84)	
Accumulated Profit/ (Loss) up to 31/03/2020	(0.51)*	(33.13)	(0.02)	(0.69)	(33.84)
Accumulated other comprehensive income up to 31/03/2020	-	0.07	0.03	0.07	0.17
% of Share held for 2020-21	28.95%	44.67%	39.26%	48.99%	
Increase in Investment during the year 2020-21	-	13.93	37.26	-	51.19
(Goodwill)/Capital Reserve increase during the year	-	(15.36)	(21.58)	-	
Share of Profit / (Loss) for the year 2020-21	*	(12.48)	5.39	(0.61)	(7.70)
Share of Other comprehensive income for the year 2020-21	-	0.07	-	0.04	0.11
Carrying value of Investment on 31/03/2021	NIL**	16.61	55.00	5.65	77.26

* No effect of share of loss from CCPL is taken since 01.04.2004, as the Company has no further commitment towards its share of loss in the Associate.

** Balance cost is fully written off in books.

3 Financial Assets - Loans (Unsecured)

(₹ Crores)

Sr. No.	Particulars	As at March 31, 2022		As at March 31, 2021	
		Non Current	Current	Non Current	Current
(a)	Loans to related parties - considered good	70.78	8.90	80.65	-
(b)	Others:				
	Loans given to employees- considered good	0.62	1.44	0.70	1.22
	Total	71.40	10.34	81.35	1.22

Note: No amount is due from any of the directors or officers of the Group, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Disclosures:

a) Details of loans and advances in the nature of loan to associates etc. as required under Schedule V(A)(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

(₹ Crores)

Sr. No.	Name of the company and relationship	Balance as at March 31, 2022	Maximum outstanding during the year 2021-22	Balance as at March 31, 2021	Maximum outstanding during the year 2020-21
i)	Krebs Biochemicals & Industries Ltd. - Associate	2.00	79.93	66.47	66.47
ii)	Avik Pharmaceutical Ltd. - Joint Venture	13.78	14.18	14.18	14.78
iii)	Makers Laboratories Ltd.- Related Party	6.40	6.40	-	-
iv)	Lyka Labs Ltd.- Associate	55.00	55.00	-	-
	Total	77.18	155.51	80.65	81.25

b) Investment by the loanee in the shares of the Holding Company:
None of the loanees have, perse , made investments in the shares of the Holding Company.

c) Loans or Advances in the nature of loans which are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment are as under: **(₹ Crores)**

Type of Borrower	As on 31.03.2022		As on 31.03.2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	13.78	16.86%	14.18	17.17%

4 Financial Assets - Others

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non current	Current	Non Current	Current
Deposits with others:				
Considered good				
- With related party	45.00	-	45.00	-
- With others	10.61	1.54	13.12	1.25
Which have significant increase in Credit Risk	-	-	-	-
	55.61	1.54	58.12	1.25
Less : Allowance for doubtful deposits	-	-	-	-
	55.61	1.54	58.12	1.25
Advances to employees				
- Considered good	-	0.93	-	0.54
- Credit impaired	-	0.45	-	0.33
	-	1.38	-	0.87
Less : Provision for doubtful advances	-	(0.45)	-	(0.33)
	-	0.93	-	0.54
Deposit with others	0.69	-	0.78	-
Other income receivables	5.03	9.51	5.00	11.55
Claim receivables	-	45.48	-	7.84
Duties and Taxes Refundable	0.69	42.92	1.22	78.15
Unbilled revenue	-	7.22	-	3.94
Forward contract gain receivable	-	12.67	-	15.00
Term deposits with*:				
- Banks/NBFC	7.91	11.00	17.30	11.00
Royalty Receivable	-	0.37	-	0.17
Total	69.93	131.64	82.42	129.44

* Term deposit of ₹ 11.00 crores (previous year ₹ 11.00 crores) has been provided as security by way of lien with RBL Bank (previous year with Bajaj Finance Limited) towards short term credit facility availed by Krebs Biochemicals & Industries Ltd., an associate company. All other term deposits are lying with government authorities and / or as margin for guarantees issued by banks to various authorities.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

5 Other Non-Financial Assets

(₹ Crores)

	Particulars	As at March 31, 2022		As at March 31, 2021	
		Non current	Current	Non Current	Current
(i)	Capital advances (Unsecured, considered good)	39.66	-	42.22	-
(ii)	Prepaid expenses	1.76	18.86	1.95	18.74
(iii)	Deposits with Govt. departments				
	- Considered good	-	9.09	-	3.11
(iv)	Unutilised Indirect tax credit	-	93.36	-	78.28
(v)	Advance to suppliers	-	31.76	-	15.74
(vi)	Export benefits receivables	-	17.17	-	19.85
(vii)	Advances to employees	-	2.73	-	3.11
(viii)	Others	1.51	3.04	0.88	2.01
(ix)	Prepaid taxes (net of provisions)	1.58	-	1.95	-
	Total	44.51	176.01	47.00	140.84

Note: No amount is due from any of the directors or officers of the Group, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

6 Inventories

(₹ Crores)

	Particulars	As at March 31, 2022		As at March 31, 2021	
i)	Raw Materials				
	In hand	549.64		477.70	
	In transit	138.85	688.49	100.79	578.49
ii)	Packing Materials				
	In hand	49.18		37.68	
	In transit	-	49.18	0.13	37.81
iii)	Work-in-progress		357.92		349.23
iv)	Finished goods				
	In hand				
	Own	554.27		467.15	
	Traded	132.41	686.68	109.14	576.29
	In transit				
	Own	37.30		22.37	
	Traded	2.05	39.35	1.85	24.22
v)	Stores, spares and others		36.35		28.77
	Total		1,857.97		1,594.81

All the above inventory other than stores & spares are hypothecated to the lenders as security towards short-term borrowings.

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

(₹ Crores)

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Amount of inventories recognised as an expense during the period.	2,080.31	1,781.15
(ii)	Amount of write - down of inventories recognised as an expense during the period.	5.92	6.17
	Total	2,086.23	1,787.32

7 Financial Assets - Trade receivables (Unsecured)

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Considered good	910.78	811.75
Which have significant increase in Credit Risk	0.92	0.81
Credit impaired	0.34	0.16
	912.04	812.72
Less: Allowance for doubtful trade receivable	(1.26)	(0.97)
Total	910.78	811.75

Note: No amount is due from any of the directors or officers of the Group, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. The Group estimates the following matrix at the reporting date which is calculated on overdue amounts.

Particulars	As at March 31, 2022	As at March 31, 2021
Default rate - Local	0.57%	0.57%
Default rate - Export	0.57%	0.62%

Movement in the expected credit loss allowance

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	(0.81)	(1.00)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(0.11)	0.19
Provision at the end of the period	(0.92)	(0.81)

Trade Receivables as on 31.03.2022, ageing schedule is as under :-

(₹ Crores)

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	760.81	142.48	4.76	1.76	0.97	-	910.78
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.87	0.03	0.01	0.01	-	0.92
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.06	-	-	0.06
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.12	0.06	0.10	0.28
	760.81	143.35	4.79	1.95	1.04	0.10	912.04
Less : Allowance for credit losses							(1.26)
Total Trade Receivables							910.78

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

Trade Receivables as on 31.03.2021, ageing schedule is as under :-

(₹ Crores)

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	716.92	92.25	1.56	1.01	0.01	-	811.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.63	0.17	0.01	-	-	0.81
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.06	-	0.10	0.16
	716.92	92.88	1.73	1.08	0.01	0.10	812.72
Less : Allowance for credit losses							(0.97)
Total Trade Receivables							811.75

8 Financial Assets - Cash & Cash Equivalents

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
In Current Accounts	71.83	105.58
Deposit with original maturity of less than three months	203.00	60.00
Cash on hand	0.36	0.39
Total	275.19	165.97

Note: Balance with bank in current account as on March 31, 2022 includes balance with one bank account of erstwhile Noble Explochem Limited aggregating to ₹ 18,768/- (previous year ₹ 94,597/-) where change of account name in Holding Company's name is in process. Further, ₹ 3,593/- (previous year ₹ 46,408/-) is lying in bank A/C - "CIRP Account Noble Explochem Limited" opened by Resolution Professional now operated by the Holding Company.

9 Financial Assets - Bank balances other than (8) above

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend accounts	1.29	1.26
Balances with banks:		
Fixed Deposit with Bank	364.18	197.84
Total	365.47	199.10

10 Equity Share Capital

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Authorised Capital				
Equity shares of ₹ 1 each (Previous year ₹ 2 each)	57,00,00,000	57.00	28,50,00,000	57.00
Issued, Subscribed and Paid up Capital				
Equity shares of ₹ 1 each (Previous year ₹ 2 each)	25,62,66,408	25.73	12,81,33,204	25.63
Paid up equity shares of ₹ 1 each (Previous year ₹ 2 each) (Refer Note no. 10(v) below)	25,37,04,218	25.37	12,68,52,109	25.37
Total		25.37		25.37

Disclosures:

i) Reconciliation of Shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Shares outstanding at the beginning of the year (Face value of ₹ 2 each)	12,68,52,109	25.37	12,63,52,109	25.27
Equity Shares issued during the year pursuant to conversion of share warrants	-	-	5,00,000	0.10
Increase in Equity shares on sub-division of 1 (one) equity share of face value of ₹ 2/- each into 2 (two) equity shares of face value of ₹ 1/- each (Refer note 10(v) below)	12,68,52,109	-	-	-
Shares outstanding at the end of the year	25,37,04,218	25.37	12,68,52,109	25.37

ii) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2022	%	As at March 31, 2021	%
	Number of shares held (Face value of ₹ 1 each)		Number of shares held (Face value of ₹ 2 each)	
Kaygee Investments Private Limited	5,44,78,390	21.47%	2,72,39,195	21.47%
Kaygee Laboratories Private Limited	1,67,70,000	6.61%	83,85,000	6.61%
Chandurkar Investments Private Limited	1,39,56,010	5.50%	69,78,005	5.50%
DSP Mid Cap Fund	1,30,20,120	5.13%	56,37,555	4.44%

iii) Rights and obligations of shareholders

The Holding Company has only one class of share referred as equity shares having a par value of ₹ 1/- (previous year ₹ 2/-) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend is recommended by management which is subject to shareholders' approval at the Annual General Meeting.

iv) Shareholding of promoters is as under:-

Sr. No.	Promoter name	Shares held by promoters at the end of the year 31.03.2022 (Face value of ₹ 1 each)			Shares held by promoters at the end of the year 31.03.2021 (Face value of ₹ 2 each)		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
1	Kaygee Investments Pvt. Ltd.	5,44,78,390	21.47%	-	2,72,39,195	21.47%	0.82%
2	Chandurkar Investments Pvt. Ltd.	1,39,56,010	5.50%	-	69,78,005	5.50%	-
3	Kaygee Laboratories Pvt. Ltd.	1,67,70,000	6.61%	-	83,85,000	6.61%	0.77%
4	Paschim Chemicals Pvt. Ltd.	1,01,38,000	4.00%	-	50,69,000	4.00%	0.80%
5	Paranthapa Investments and Traders Pvt. Ltd.	31,000	0.01%	-	15,500	0.01%	-
6	Makers Laboratories Ltd.	960	0.00%	-	480	0.00%	(99.53%)
7	M. R. Chandurkar	43,02,000	1.70%	-	21,51,000	1.70%	-
8	Usha M. Chandurkar	40,00,000	1.58%	-	20,00,000	1.58%	-
9	Sameer M. Chandurkar	20,00,000	0.79%	-	10,00,000	0.79%	-
10	Premchand Godha	58,14,680	2.29%	-	29,07,340	2.29%	8.43%

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

Sr. No.	Promoter name	Shares held by promoters at the end of the year 31.03.2022 (Face value of ₹ 1 each)			Shares held by promoters at the end of the year 31.03.2021 (Face value of ₹ 2 each)		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
11	Usha P. Godha	24,18,740	0.95%	-	12,09,370	0.95%	-
12	Prashant Godha	15,68,644	0.62%	-	7,84,322	0.62%	3.29%
13	Pranay Godha	17,00,990	0.67%	-	8,50,495	0.67%	3.03%
14	Kalpana Jain	2,30,000	0.09%	-	1,15,000	0.09%	-
15	Bhawna Godha	5,000	0.00%	-	2,500	0.00%	-
16	Neetu Godha	4,000	0.00%	-	2,000	0.00%	-
17	Nirmal Jain	-	0.00%	-	-	0.00%	-
18	Mexin Medicaments Pvt. Ltd.	14,058	0.01%	-	7,029	0.01%	-
	Total	11,74,32,472	46.29%		5,87,16,236	46.29%	

v) Pursuant to the approval of the shareholders accorded in the Extraordinary General Meeting (EGM) of the Holding Company held on December 16, 2021, each equity share of face value of ₹ 2/- (Two) per share was subdivided into two equity shares of face value of ₹ 1/- (One) per share, with effect from January 11, 2022.

10A Share Warrants

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Share Warrants outstanding at the beginning of the year	-	11.94
Amount received during the year	-	-
Issue of equity shares on conversion of share warrants	-	(11.94)
Share Warrants outstanding at the end of the year	-	-

11 Other Equity

(₹ Crores)

	Particulars	As at March 31, 2022		As at March 31, 2021	
(a)	Capital Reserve		6.59		6.59
(b)	Securities Premium		96.52		96.52
(c)	Capital Redemption Reserve		0.26		0.26
(d)	General Reserve		1,311.05		1,311.05
(e)	Retained Earnings		4,036.06		3,247.75
(f)	OCI Reserve				
	- Fair Value of Investments through OCI	0.12		-	
	- Cash flow hedging reserve	(0.20)		(0.65)	
	- Foreign currency translation reserve	16.20	16.12	14.76	14.11
	Total		5,466.60		4,676.28

The Board of Directors, at its meeting held on November 13, 2021, had declared an interim dividend of ₹ 8/- per equity share of ₹ 2/- each. It resulted in an outflow of ₹ 101.48 crores.

Nature and purpose of each reserve

Capital Reserve

During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

Capital Redemption Reserve

The Holding Company has recognised Capital Redemption Reserve on buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

Retained Earnings

Retained earnings are the profits that the Group has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments on account of transition to Ind AS.

Effective portion of cash flow hedges

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Other items of OCI

This reserve represents exchange differences arising on account of conversion of foreign operations to group's functional currency and fair value of investments.

12 Financial Liabilities - Borrowings

a) Long-term Borrowings - Secured

(₹ Crores)

Particulars		Non - Current Portion As at		Current Maturities As at (read with note no.17)	
		Mar 31, 2022	Mar 31, 2021	Mar 31, 2022	Mar 31, 2021
i.	Foreign currency term loan	22.74	9.13	9.47	52.89
ii.	Rupee Term Loan	372.44	-	18.78	-
Total (a)		395.18	9.13	28.25	52.89

Details of above:-

(₹ Crores)

Sr. No.	Name of the Instruments/ Institutions	Non - Current Portion As at		Current Maturities As at	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
i.	**Foreign Currency Term Loans**				
1	ECB-JP Morgan Chase Bank,Singapore	22.74	-	-	-
2	Citibank N.A., Jersey	-	9.13	9.47	9.14
3	HSBC Bank Mauritius Ltd.	-	-	-	43.75
ii.	**Rupee Term Loan**				
1	HDFC Bank Ltd.	372.44	-	18.78	-
	Total (a)	395.18	9.13	28.25	52.89

b) Long-term Borrowings - Unsecured

1	ECB-HSBC Bank Mauritius Ltd.	-	-	-	13.71
	Total (b)	-	-	-	13.71
Total (a+b)		395.18	9.13	28.25	66.60

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

c) Details of securities and repayment terms of secured loans stated above

i. Foreign Currency Term Loans

1 JP Morgan Chase Bank,Singapore

This facility is to be secured by way of an exclusive charge on solar and wind projects of the Holding Company.The bank is in the process of executing relevant documents.

Repayable in 16 quarterly installments starting from May 23, 2023.

2 Citibank N.A., Jersey

Secured by first pari-passu charge over movable assets of the Company except assets at Unit - II at Sikkim plant and specific machines at Athal and Ratlam which are financed under buyer's credit.

Repayable in 16 equal quarterly installments from June 15, 2019.

3 HSBC Bank Mauritius Ltd.

Secured by first pari-passu charge over current and future movable fixed assets of the Company except assets at Baroda.

Repayable in 11 half yearly un-equal installments from December 08, 2016.

ii. Rupee Term Loan (Secured)

1 HDFC Bank Ltd.

Secured by first pari-passu charge over current and future movable fixed assets of the Holding Company except solar and wind projects.

Repayable in 20 quarterly un-equal installments from June 14, 2022.

Unsecured Long Term Borrowing

1 ECB-HSBC Bank Mauritius Ltd. (Unsecured)

Availed for refinancing of ECB of Standard Chartered Bank - London.

Repayable in 16 quarterly equal installments from August 16, 2019.

d) Maturity Profile of Borrowings is as per the original sanction terms without Ind AS effects.

(₹ Crores)

Particulars	March 31, 2022	March 31, 2021
Installment payable between 1 to 2 years	197.59	9.14
Installment payable between 2 to 5 years	197.59	-
Installment payable beyond 5 years	-	-
Total	395.18	9.14

e) The long-term loans are taken at the following rates.

Particulars	As at March 31, 2022	As at March 31, 2021
	Interest Band	
Rupee Term Loan	3 months TBILL + 0.94%	None
Foreign currency loan	3 Month Term SOFR + 0.60% to 0.90%	3 Month Libor + 0.60% to 0.90%

13 Other Financial Liabilities

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Deposits from customers	0.11	1.19	-	0.91
Interest accrued but not due on borrowings	-	0.89	-	0.17
Unpaid dividends	-	1.29	-	1.26
Amount payable on hedging transactions	-	-	-	0.56
Payable for capital goods	-	122.48	-	32.39
Other payables	-	175.96	-	40.61
Total	0.11	301.81	-	75.90

14 Provisions

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Gratuity	1.39	1.71	1.13	1.37
Provision for leave encashment	41.34	6.21	37.43	5.56
Other employee related provision	-	2.22	-	12.98
Provision for breakage/damage	-	6.15	-	6.51
Provision for product expiry	-	71.50	-	62.22
Provision for sales return	-	13.73	-	14.50
Total	42.73	101.52	38.56	103.14

The disclosure of provisions movement as required by Ind AS 37 is as follows:- (₹ Crores)

Particulars		2021-22	2020-21
(i)	**Provision for breakage/damage**		
	Balance at the beginning of the period	6.51	3.32
	Provisions made during the period	8.06	8.53
	Utilisations during the period	(8.42)	(5.34)
	Provision at the end of the period	6.15	6.51
(ii)	**Provision for product expiry**		
	Balance at the beginning of the period	62.22	59.85
	Provisions made during the period	51.68	42.50
	Utilisations during the period	(42.40)	(40.13)
	Provision at the end of the period	71.50	62.22
(iii)	**Provision for sales return**		
	Balance at the beginning of the period	14.50	15.60
	Provisions made during the period	36.13	32.89
	Utilisations during the period	(36.90)	(33.99)
	Provision at the end of the period	13.73	14.50
(iv)	**Provision for wage arrears under negotiation**		
	Balance at the beginning of the period	12.98	3.41
	Provisions made during the period	0.39	9.57
	Utilisations during the period	(11.15)	-
	Provision at the end of the period	2.22	12.98

14.1 Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

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.

Market Risk (Discount Risk)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. 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.

Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after . Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

Actuarial Risk

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the Obligation at a rate that is higher than expected.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Expense recognised in Statement of Profit & Loss		
Current service cost	10.13	9.36
Interest expense	5.66	5.09
Expected return on plan assets	(6.00)	(4.75)
Total	9.79	9.70
Expense recognised in Other Comprehensive Income		
Return on plan assets (greater)/Less than discount Rate	(1.11)	(0.32)
Actuarial (gain)/loss due to experience on DBO	(0.11)	0.46
Total	(1.22)	0.14
Present value of funded defined benefit obligation	99.98	90.75
Fair value of plan assets	(96.88)	(88.25)
Funded status	3.10	2.50
Net defined benefit (asset) / liability	3.10	2.50
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	90.75	79.65
Liability raised due to acquisition through business combination	0.22	-
Current service cost	10.13	9.36
Interest cost	5.66	5.09
Actuarial (gain)/loss	(0.11)	0.46
Benefits paid	(6.67)	(3.81)
Present value of defined benefit obligation at the end of the year	99.98	90.75
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	88.25	70.42
Expected returns on plan assets	6.00	4.75
Remeasurement gains/(losses):		
Actuarial gains/(loss) on plan assets	1.11	0.32
Contribution from employer	8.05	16.41
Benefits paid	(6.53)	(3.65)
Closing fair value of the plan asset	96.88	88.25
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (gain)/loss arising from experience adjustments	(0.11)	0.46
Actuarial (gain)/loss on plan assets	(1.11)	(0.32)
Total Actuarial (Gain)/Loss included in OCI	(1.22)	0.14

The principal assumptions used as at the balance sheet date are used for the purpose of actuarial valuations were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assumptions		
Discount rate	7.23%	6.80%
Salary increase rate	6.00%	6.00%
Demographic assumptions		
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate	5%	5%
Retirement age	58 Years	58 Years

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation		
Discount rate		
a. Discount rate - 100 basis points	107.67	98.04
b. Discount rate + 100 basis points	93.28	84.27
Salary increase rate		
a. Rate - 100 basis points	93.58	84.54
b. Rate + 100 basis points	107.19	97.61

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would clear in isolation of one another as some of the assumptions may be correlated.

Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

15 Deferred Tax Liabilities (Net)

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
Deferred tax liabilities on account of :				
Depreciation including on R & D Assets, Amortisation and Impairment		254.08		221.99
Deferred tax asset on account of :				
Leave encashment	16.98		14.96	
Bonus /Expenses	1.05		1.05	
Lease Liability	5.37		-	
Trade Receivables	0.19		-	
MAT Credit available	72.43		72.43	
Unabsorbed Tax losses	5.49	101.50	-	88.44
Net deferred tax liability		152.58		133.55

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

Deferred Tax Assets (Net)

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets of subsidiaries	2.02	1.95
Net deferred tax assets	2.02	1.95

16 Other Non-financial liabilities

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Security Deposit	1.56	-	1.56	-
Revenue received in advance	-	26.62	-	20.70
Duties & Taxes Payable	-	51.80	-	29.85
Deferred Income	0.43	0.15	0.59	0.15
Other Payables	-	7.41	-	6.49
Total	1.99	85.98	2.15	57.19

17 Financial Liabilities - Borrowings

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loans:		
Working capital loan from banks *	131.14	65.19
Current maturities of long-term debt (refer note no.12)	28.25	66.60
Unsecured Loans:		
Working capital loan from banks	236.67	111.42
Total	396.06	243.21

a) * Working capital loan from banks are secured by first charge by way of hypothecation of all the stocks, book debts and all other movable current assets of the Holding Company and second charge by way of mortgage of the specific immovable properties of the Holding Company and hypothecation of plant & machinery of the Holding Company.

b) **Disclosure:**

Quarterly statements of stocks and other current assets filed by the Holding Company with banks are in agreement with the books of accounts.

18 Financial Liabilities - Trade Payables

(₹ Crores)

Particulars		As at March 31, 2022	As at March 31, 2021
a)	Trade Payables for goods and services:		
	- Total Outstanding dues of Micro and small enterprises	72.23	64.03
	- Others	423.40	531.05
b)	Acceptances	62.07	69.78
Total		557.70	664.86

Trade payables and acceptances are non-interest bearing and are normally settled between 0-120 days.

Details of dues to micro and small enterprises as defined under MSMED Act, 2006

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due	72.23	64.03
Interest due on above	0.01	0.02
Amount paid in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006		
- Principal amount paid beyond appointed day	4.76	5.01
- Interest paid thereon	-	-
Amount of interest due and payable for the period of delay	0.02	0.02
Amount of interest accrued and remaining unpaid as at year end	0.03	0.05
Amount of further interest remaining due and payable in the succeeding year	-	-

The Group has compiled the above information based on written confirmations collected by the Group from suppliers.

Trade Payables as on 31.03.2022 ageing schedule is as under :-

(₹ Crores)

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	71.57	0.66	-	-	-	72.23
(ii) Others	389.59	93.40	1.50	0.67	0.09	485.25
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.18	0.04	0.22
Total Trade Payables	461.16	94.06	1.50	0.85	0.13	557.70

Trade Payables as on 31.03.2021 ageing schedule is as under :-

(₹ Crores)

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	62.26	1.77	-	-	-	64.03
(ii) Others	470.45	115.37	9.04	4.45	1.30	600.61
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0.18	0.04	-	0.22
Total Trade Payables	532.71	117.14	9.22	4.49	1.30	664.86

19 Current Tax Liabilities (Net)

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for taxation (net of taxes paid)	18.33	11.44
Total	18.33	11.44

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

20 Revenue from Operations (Net)

(₹ Crores)

Particulars	2021-22	2020-21
Sale of products	5,629.69	5,261.34
Sale of services	136.77	104.66
Other operating revenues:		
Export incentives	30.16	19.24
Sundry balances w/back	3.17	1.48
Miscellaneous income	30.00	33.27
Total	5,829.79	5,419.99

20.1 Disclosure relating to disaggregation by geography of revenue in terms of Ind AS-115

(₹ Crores)

Particulars		2021-22			
		Branded Generics	Generic	API	Total
A	**Domestic**	2,586.84	-	361.01	2,947.85
B	**Exports**				
	Europe	116.04	341.79	345.79	803.62
	Africa	50.75	362.69	62.00	475.44
	Americas	41.09	276.42	353.18	670.69
	Asia (Excluding India)	74.32	24.59	362.60	461.51
	CIS	133.67	0.40	25.72	159.79
	Australasia	0.12	244.53	2.91	247.56
	Total (B)	415.99	1,250.42	1,152.20	2,818.61
	Total (A+B)	3,002.83	1,250.42	1,513.21	5,766.46

(₹ Crores)

Particulars		2020-21			
		Branded Generics	Generic	API	Total
A	**Domestic**	1,981.67	-	421.27	2,402.94
B	**Exports**				
	Europe	80.59	416.05	357.40	854.04
	Africa	54.26	430.11	55.81	540.18
	Americas	39.37	277.16	397.02	713.55
	Asia (Excluding India)	65.64	40.28	369.66	475.58
	CIS	163.53	0.46	24.95	188.94
	Australasia	0.03	180.27	10.47	190.77
	Total (B)	403.42	1,344.33	1,215.31	2,963.06
	Total (A+B)	2,385.09	1,344.33	1,636.58	5,366.00

20.2 Information about major customers:

No single customer represents 10% or more of the group's total revenue during the year ended March 31, 2022 and March 31, 2021.

20.3 Contract Liability

The Contract liability primarily relate to advances received from the customer against orders. Significant changes in the contract liabilities balance during the period are as under:

(₹ Crores)

Particulars	2021-22	2020-21
Balances at the beginning of the year	20.70	118.21
Revenue recognised that is included at the beginning of the period	19.99	117.97
Advances received which have remained outstanding at the end of the year	26.62	20.70

21 Other Income

(₹ Crores)

Particulars	2021-22	2020-21
Interest income	30.21	32.48
Interest income on financial asset at amortised cost	3.96	4.47
Profit on sale of investments - current (net)	9.83	10.60
Net gain on financial asset through FVTPL	6.09	-
Profit on sale of property, plant & equipment	0.91	0.81
Miscellaneous income	14.86	13.74
Royalty income	0.71	0.74
Total	66.57	62.84

22 Cost of Materials Consumed

(₹ Crores)

Particulars	2021-22		2020-21	
Raw Materials Consumed				
Opening stock	578.49		506.77	
Add : Purchases (Net of discount)	1,521.28		1,459.71	
Add : Acquisition through Business combination	4.51		-	
Add : Raw material conversion charges	24.34		28.83	
	2,128.62		1,995.31	
Less : Closing stock	688.49	1,440.13	578.49	1,416.82
Packing Materials Consumed				
Opening stock	37.81		35.25	
Add : Purchases (Net of discount)	259.43		207.93	
Add : Acquisition through Business combination	0.37		-	
	297.61		243.18	
Less : Closing stock	49.18	248.43	37.81	205.37
Neutralisation of duties and taxes on inputs on exports - Drawback benefits		(24.36)		(25.05)
Total		1,664.20		1,597.14

23 Purchases of Traded Goods

(₹ Crores)

Particulars	2021-22	2020-21
Formulations	467.41	314.12
Active Pharmaceutical ingredients/ Intermediates	12.89	11.83
Total	480.30	325.95

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

24 Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and Traded Goods

(₹ Crores)

Particulars	2021-22		2020-21	
Inventory Adjustments - WIP				
Stock at commencement	349.23		297.85	
Add : Acquisition through Business combination	0.41		-	
Less: Stock at closing	357.92	(8.28)	349.23	(51.38)
Inventory Adjustments - FG				
Stock at commencement				
- Own	489.52		377.55	
- Acquisition through Business combination	8.71		-	
- Traded	110.99		79.55	
	609.22		457.10	
Less : Loss of stock due to fire	4.56		-	
Less : Stock at closing				
- Own	591.57		489.52	
- Traded	134.46	(121.37)	110.99	(143.41)
Total		(129.65)		(194.79)

25 Employee Benefits Expenses

(₹ Crores)

Particulars	2021-22	2020-21
Salaries , bonus , perquisites , etc.	1,056.25	902.06
Contribution to provident and other funds	55.27	50.49
Leave encashment	12.79	14.32
Leave travel assistance	3.32	3.28
Gratuity fund contributions	9.79	9.70
Staff welfare expenses	37.17	32.25
Recruitment & training	2.80	1.47
Total	1,177.39	1,013.57

26 Finance Cost

(₹ Crores)

Particulars	2021-22	2020-21
Interest expense	5.46	6.10
Other borrowing cost	0.45	0.43
Interest on Income tax	0.55	1.02
Interest expenses on lease liability (Refer note no.31)	1.23	1.49
Total	7.69	9.04

27 Depreciation & Amortisation

(₹ Crores)

Particulars	2021-22	2020-21
Depreciation on tangible assets	202.35	181.57
Depreciation on Right-of-use assets	9.85	10.74
Amortisation on intangible assets	20.22	16.86
Total	232.42	209.17

28 Other Expenses

(₹ Crores)

Particulars	2021-22	2020-21
Consumption of stores and spares	71.38	59.02
Power and fuel	235.17	200.57
Water charges	6.95	6.53
Freight, forwarding and transportation	147.82	115.04
Outside manufacturing charges	19.74	14.44
Repairs and maintenance	168.77	143.14
Loss on sale of property, plant & equipment	0.94	0.81
Property, plant & equipment scrapped	11.36	2.86
Commission on sales and brokerage	32.10	52.54
Field staff expenses	99.35	70.29
Sales and marketing expenses	189.76	131.28
Product information catalogue	33.13	26.00
Expenditure on scientific research	41.80	52.38
Laboratory expenses and analytical charges	59.92	49.86
Rent	15.47	13.99
Rates and taxes	12.02	11.18
Travelling expenses	14.99	7.06
Professional charges	40.57	68.20
Printing and stationery	8.40	7.31
Books, subscription and software	12.90	9.91
Product registration expenses	23.34	24.73
GST Expenses	33.05	25.05
Communication expenses	7.81	6.93
Insurance	24.19	21.03
Intellectual property right expenses	1.22	0.68
Remuneration to auditors	0.63	0.57
Remuneration to components' auditors	0.45	0.34
Bank charges	3.51	3.23
Provision for doubtful debts/advances	0.36	0.25
Bad debts and other balance w/off	0.80	0.94
Impairment of Intangible assets	-	15.84
CSR expenses	18.64	11.01
MTM Loss on Mutual Fund Investments	-	0.46
Foreign exchange (gain)/loss-net	(30.79)	(41.30)
Goods Destroyed	-	2.49
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	22.54	19.11
Total	1,328.29	1,133.77
Details of:		
1. Repairs and Maintenance:		
Building	26.14	20.21
Machinery	128.67	113.43
Others	13.96	9.50
	168.77	143.14
2. Remuneration To Auditors:		
Audit fees including Limited Review	0.60	0.56
Certification and other services	0.03	0.01
	0.63	0.57

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

Disclosures:

Total expenditure on R & D is included in respective heads of accounts as under:

(₹ Crores)

Particulars	2021-22	2020-21
Expenditure on Scientific Research (Includes stores and chemicals, Bio-availability, Bio-equivalence and Toxicity Studies)	41.80	52.38
Cost of materials consumed	2.16	1.90
Employee benefits expenses	50.22	46.77
Other expenses	23.73	20.30
Depreciation	14.61	14.66
Total	132.52	136.01

29 Tax Expense

(₹ Crores)

Particulars	2021-22	2020-21
Current Tax	207.01	248.65
Tax expense of previous year	0.50	(0.01)
Deferred Tax	17.26	(8.50)
Total	224.77	240.14
i. Reconciliation of current rate of tax and effective rate of tax:		
Profit before Income taxes	1,135.72	1,388.98
Enacted tax rates in India (%)	34.94%	34.94%
Computed expected tax expenses	396.87	485.37
Tax effect due to incentives	(10.48)	(190.27)
Accelerated Depreciation	(6.81)	(3.06)
Effect of non- deductible expenses	64.36	20.25
Effect of differential overseas tax rates	(5.90)	6.14
Additional deduction on Research and Development Expenses	(8.22)	(1.75)
Others	(9.70)	(4.72)
MAT Credit Adjusted*	(213.11)	(63.31)
Income tax expenses - net	207.01	248.65
Tax liability as per Minimum Alternate Tax on book profits of Holding Company and Income tax of Group Companies		
Minimum Alternate Tax rate (%)	17.47%	17.47%
Computed tax liability on book profits	198.43	242.68
Tax effect on adjustments:		
Adjustment of OCI	0.24	0.03
Effect of differential overseas tax rates	(8.27)	(0.23)
Effect of losses of subsidiaries	8.20	3.65
Others	8.41	2.52
Minimum Alternate Tax on Book Profit of Holding company and Income tax of Group Companies	207.01	248.65

* Not recognised in earlier years on conservative basis.

ii. Reconciliation of Deferred Tax

Deferred tax (assets) / liabilities in relation to:

(₹ Crores)

Particulars	As at March 31, 2022	Recognised in profit/ loss	Addition through Business Combination	As at March 31, 2021
Property, plant & equipment	244.98	23.10	1.84	220.04
Right of Use-Assets	7.08	7.08	-	-
MAT credit available	(72.43)	-	-	(72.43)
Compensated absences	(16.98)	(2.02)	-	(14.96)
Bonus expenses	(1.05)	-	-	(1.05)
Lease Liability	(5.37)	(5.37)	-	-
Doubtful Debts	(0.19)	(0.19)	-	-
Unabsorbed Tax losses	(5.49)	(5.49)	-	-
Total	150.56	17.12	1.84	131.60

(₹ Crores)

Particulars	As at March 31, 2021	Recognised in profit/ loss	Addition through Business Combination	As at March 31, 2020
Property, plant & equipment	220.04	(5.27)	-	225.31
MAT credit available	(72.43)	-	-	(72.43)
Compensated absences	(14.96)	(2.94)	-	(12.02)
Bonus expenses	(1.05)	-	-	(1.05)
Total	131.60	(8.21)	-	139.81

30 Disclosure as required by Accounting Standard – Ind AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

The earning per share is calculated by dividing the profit after tax by weighted average number of shares outstanding for basic & diluted EPS.

(₹ Crores)

Particulars	2021-22	2020-21
i Profit after tax	884.08	1,140.01
ii Profit after tax and exceptional Items	884.08	1,140.01
iii Equity shares outstanding at year end (nos.)	25,37,04,218	25,37,04,218
iv Weighted avg. no. of shares outstanding (Nos.) (Basic)	25,37,04,218	25,32,79,560
v Weighted avg. no. of shares outstanding (Nos.) (Diluted)	25,37,04,218	25,32,79,560
vi Nominal value of equity share (₹)	1.00	1.00
vii Basic EPS (i / iv) (₹)	34.85	45.01
viii Diluted EPS (i / v) (₹)	34.85	45.01

Note: Pursuant to the approval of the shareholders accorded in the Extraordinary General Meeting (EGM) of the Holding Company held on December 16, 2021, each equity share of face value of ₹ 2/- (Two) per share was subdivided into two equity shares of face value of ₹ 1/- (One) per share, with effect from January 11, 2022. Consequently, the basic and diluted earnings per share have been computed for current year and previous year on the basis of the new number of equity shares in accordance with Ind AS 33 - Earnings per Share.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

31 Disclosure in accordance with Ind AS – 116 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.

Following is the carrying value of right-of-use asset recognised and the movements thereof during the year ended March 31, 2022

(₹ Crores)

Particulars	Land and Buildings 2021-22	Land and Buildings 2020-21
Balance as on 1st April	15.45	26.13
Acquisition through Business Combination	0.60	-
Additions during the year	14.64	0.12
Deletion during the year	-	0.06
Depreciation of Right-of-use asset	9.86	10.74
Balance as at 31st March	20.84	15.45

Following is the carrying value of lease liability and movement thereof during the year ended March 31, 2022

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as on 1st April	13.05	18.89
Acquisition through Business Combination	0.58	-
Additions during the year	8.23	0.12
Finance cost accrued during the year	1.28	1.49
Deletions	-	0.06
Payment of lease liabilities	7.16	7.39
Balance as at March 31	15.98	13.05
Current portion of Lease liability	4.48	4.80
Non - Current portion of Lease liability	11.50	8.25
	15.98	13.05

The weighted average incremental borrowing rate applied to lease liabilities is 9% except one agreement of Krebs Biochemicals where Inter Company Deposit rate is available, which is 8%.

Amounts recognised in the statement of cash flows

(₹ Crores)

Particulars	2021-22	2020-21
Total cash outflow for leases	14.46	13.86

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	4.47	4.80
One to five years	6.32	4.20
More than five years	5.19	4.05
Total	15.98	13.05

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

32 Segment Reporting

Disclosure as required by IND AS 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with Ind AS-108 "Operating Segments", the operations of the Group are categorised in one segment viz Pharmaceuticals.

The geographic information of the Group's revenues by the Company's country of domicile and other countries is tabulated hereunder:

Additional disclosure required as per Ind AS 108

Particulars	2021-22		2020-21	
	Amount (₹ in Crores)	% of Total Segment Revenue	Amount (₹ in Crores)	% of Total Segment Revenue
Segment Revenue				
- India	3,011.18	51.65%	2,456.93	45.33%
- Outside India	2,818.61	48.35%	2,963.06	54.67%
Total	5,829.79	100.00%	5,419.99	100.00%

Of the above, revenue from sales to/with in United Kingdom amounts to ₹ 259.70 crores (previous year ₹ 276.02 crores).

The geographic information of the Non-current assets "outside India" is less than 10% of the total Non-current assets of the Group and therefore, not disclosed separately.

No single customer represents 10% or more of the group's total revenue during the year ended March 31,2022 and March 31, 2021.

33 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

A. List of related parties

Relationships	Country
i. Entities having significant influence	
Shareholders of Ipca Laboratories Ltd.	
Kaygee Investments Pvt. Ltd.	India
ii. Associates	
Krebs Biochemicals & Industries Ltd.	India
Trophic Wellness Pvt. Ltd.(till 10.06.2021)	India
Lyka Labs Ltd. (w.e.f 24.11.2021)	India
iii. Joint Venture	
Avik Pharmaceutical Ltd.	India

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

Relationships			**Country**
iv.	**Key Management Personnel**		
	Mr. Premchand Godha	Chairman & Managing Director	Indian
	Mr. Ajit Kumar Jain	Joint Managing Director & CFO	Indian
	Mr. Pranay Godha	Executive Director	Indian
	Mr. Prashant Godha	Executive Director	Indian
	Mr. Anand T. Kusre	Independent Director	Indian
	Mr. Dev Parkash Yadava	Independent Director	Indian
	Dr. (Mrs.) Manisha Premnath	Independent Director	Indian
	Mr. Kamal Kishore Seth	Independent Director	Indian
v.	**Other Related Parties**		
	(Entities in which directors or their relatives have significant influence and with whom there were transactions during the period)		
	Kaygee Laboratories Pvt. Ltd.		India
	Nipra Industries Pvt. Ltd.		India
	Nipra Packaging Pvt. Ltd.		India
	Prabhat Foundation		India
	Vandhara Resorts Pvt. Ltd.		India
	Makers Laboratories Ltd.		India
	Ipca Foundation (w.e.f. 18.05.2021)		India

Details of related party transaction are given in statement 1 attached to the financial statement. The value of related party transaction and balances reported are based on actual transaction and without giving effect to notional Ind AS adjustment entries.

34 Contingent liabilities and Commitments

A. Contingent Liabilities

(₹ Crores)

Particulars	**As at March 31, 2022**		**As at March 31, 2021**	
Claims against the Group not acknowledged as debts	15.36		13.49	
Amount deposited under protest	(2.57)	12.79	(2.54)	10.95
Corporate guarantee given to others		2.28		2.28
Guarantees given by banks in favour of Govt. & others *		19.56		17.46
Term deposit with Bank (Previous Year NBFC) as security for short term working capital loan provided to Associate company **		11.00		11.00
Other moneys for which the group is contingently liable for tax, excise, customs and other matters not accepted by the Company *	25.11		14.84	
Amount deposited under protest	(1.07)	24.04	(0.77)	14.07
Total		69.67		55.76

* It includes ₹ 4.38 crores (Previous year ₹ 4.38 crores) towards interest and penalty demanded by excise department, Ankleshwar relating to erstwhile Tonira Pharma Limited since amalgamated with the Holding Company and is not payable in accordance with the order passed by the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad. The Department had moved the Hon'ble Gujarat High Court against the said CESTAT order and as per the order of the said Hon'ble High Court, the Holding Company has furnished a Bank Guarantee of ₹ 2.00 crores to the Department.

** Holding Company has provided security by way of lien over the term deposit of ₹ 11.00 crores (previous year ₹ 11.00 crores) placed by the company with RBL Bank (previous year with Bajaj Finance Limited) towards short term credit facility availed by Krebs Biochemicals & Industries Ltd., an Associate company.

B. Commitments

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Tangible Assets	124.23	215.68
Intangible Assets	-	-
	124.23	215.68
(b) Other Commitments		
Purchase orders backed by Letter of Credit opened by bankers.	80.13	97.18
	80.13	97.18
Total (a+b)	204.36	312.86

35 Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 is as follows:

(₹ Crores)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets				
Amortised Cost				
Loans	81.74	82.57	81.74	82.57
Others	201.57	211.86	201.57	211.86
Trade receivables	910.78	811.75	910.78	811.75
Cash and cash equivalents	640.66	365.07	640.66	365.07
FVTPL				
Mutual funds considered as Cash and cash equivalents	719.31	393.83	719.31	393.83
FVTOCI				
Derivative Assets	-	-	-	-
Total Financial Assets	2,554.06	1,865.08	2,554.06	1,865.08
Financial liabilities				
Amortised Cost				
Borrowings	791.24	252.34	791.24	252.34
Lease Liability	15.98	13.05	15.98	13.05
Trade payables	557.70	664.86	557.70	664.86
Others	301.92	75.34	301.92	75.34
FVTOCI				
Derivative Liabilities	-	0.56	-	0.56
Total Financial Liabilities	1,666.84	1,006.15	1,666.84	1,006.15

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

36 Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(₹ Crores)

Particulars	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets measured at fair value					
Mutual funds - Growth plan	As at March 31, 2022	719.31	-	-	719.31
Total financial assets		719.31	-	-	719.31
Financial liabilities					
Derivative financial liabilities	As at March 31, 2022	-	-	-	-
Total financial liabilities		-	-	-	-
Financial assets measured at fair value					
Mutual funds - Growth plan	As at March 31, 2021	393.83	-	-	393.83
Total financial assets		393.83	-	-	393.83
Financial liabilities					
Derivative financial liabilities	As at March 31, 2021	-	0.56	-	0.56
Total financial liabilities		-	0.56	-	0.56

37 Financial Risk Factors

The Group's business activities are exposed to a variety of financial risks: Market/Business risk, Credit risk, Exchange risk, etc. The Group's focus is to foresee the unpredictability of financial and business risks and seek to minimize potential adverse effects of these risks on its business and financial performance.

i. Business/Market Risk

The primary business/market risk to the Group is the price risk and its ability to pass on the same to its customers. The Group's operations extend to a number of countries across the globe and its products pricing competitiveness is a primary factor for the acceptability of Group's products in those markets. The Group has a robust procurement process, which ensures that its pricing power is not adversely affected by price changes in the market place for its raw – materials. The backward integration into manufacturing of several API's for its own use in the formulations manufacturing also works as a mitigating strategy for price risk faced by the Group.

The other business risk is regulatory risk and regulatory audits of its manufacturing facilities by the regulators to ensure that the manufacturing facilities meet the current Good Manufacturing Practices (cGMP) requirements. The Group is already exposed to certain audit observations from the US FDA for 3 of its manufacturing plants and has taken the necessary corrective measures to redress those US FDA audit observations so as to be able to market all its products once again in the US market. While the stringent regulatory requirements and audits works as a business risk, the successful audit of its facilities by regulators coupled with price competitiveness results in higher business and margins for the Group.

The Group's products are also subjected to product liability claims/litigations. To mitigate these risks, the Group has obtained adequate Product Liability Insurance.

The Group, however, has a reduced risk from dependence on any single customer as no single customer or customer group accounts for more than 10% of Group's annual revenue. The Group also continuously forays into different markets/countries to reduce its dependence on any particular country or customer group. The Group also has a diversified therapeutic product portfolio and therefore no single product account for more than 10% of Group's annual revenue.

ii. Credit Risk

The Group has exposure to credit risks associated with sales to various developing markets/countries. To mitigate these credit risks arising out of this, the Group obtains credit insurance on a regular basis after evaluating the credit risk associated with a country/customer. Country/customer where no credit insurance is available, the Group monitors such risk by continuously monitoring its exposure to such country/customer. There was no historically significant credit risk in the domestic market for the Group. Based on the historical data, the Group has made adequate provisions for expected loss because of credit risk, which is neither significant nor material.

iii. Interest Risk

The Group has borrowings mainly in foreign currencies which is linked to SOFR. The Group mitigates these risks associated with floating SOFR rates by entering into interest rate swaps to move them to fixed SOFR rates. The domestic interest risk is exposed to the changes in the RBI bank rate. The Group manages this risk by managing its working capital effectively.

iv. Foreign Currency Risk

The Group continuously manages its risks associated with foreign currency by adopting various hedging strategies in consultation with internal and external experts. The Group has a system of regularly monitoring its currency wise exposures. The significant part of Group's receivables and borrowings are in US Dollars which operates as a natural hedge against each other. The Group has a policy not to borrow in a currency where it has no business exposure.

v. Foreign currency exposure is as follows:

Sr. no.	Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
			Amount in foreign currency (in millions)	Amount (₹ crores)	Amount in foreign currency (in millions)	Amount (₹ crores)
I)	**Foreign exchange liability**					
a.	ECB Term Loan & Interest	USD	10.01	75.83	14.13	103.32
b.	Packing Credit & Interest	USD	22.00	166.79	15.00	109.70
		EURO	5.59	47.07	3.00	25.72
c.	Trade & Other Payables	USD	33.24	255.00	31.01	226.79
		EURO	0.28	2.40	0.35	2.99
		GBP	1.31	13.01	1.73	17.37
		AUD	0.01	0.06	0.01	0.06
		NZD	0.20	1.05	-	-
II)	**Receivables in foreign currency**					
a.	Trade & Other receivables	USD	46.46	309.47	49.79	350.67
		EUR	8.52	71.72	8.18	70.12
		GBP	10.07	100.18	12.05	121.37
		AUD	6.37	36.15	5.72	31.86
		CAD	4.11	24.87	1.91	11.07
		NZD	4.94	25.95	1.25	6.42
		COP	855.52	1.73	877.89	1.74
b.	Unbilled Revenue	CAD	1.19	7.22	0.68	3.94

The Group has entered into various derivatives transactions, which are not intended for trading or speculative purpose but to hedge the export receivables included in ((II) a) above and future receivables and foreign currency loan interest rate risks.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

vi. Other Price Risk

The Group is mainly exposed to the price risk due to its investment in mutual funds. However, the Group is investing only in debt funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31, 2022, the investments in mutual funds is ₹ 719.31 crores (Previous year ₹ 393.83 crores).These are exposed to price risk. In order to minimize price risk arising from investments in mutual funds, the Group predominately invest in liquid fund where price risk is minimum.

Price risk sensitivity:

0.10% increase or decrease in prices will have the following impact on profit/loss before tax and on other components of investment value.

(₹ Crores)

Particulars	Impact on Profit		Impact on Investment Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Price - increase by 0.10%*	0.72	0.39	0.72	0.39
Price - decrease by 0.10% *	(0.72)	(0.39)	(0.72)	(0.39)

* assuming all other variables as constant

38 Capital Management

For the purpose of the Groups capital management, capital includes paid-up equity share capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholders' value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Group monitors capital using a gearing ratio, which is net debt divided by its total capital. The Group includes within its net debt the interest bearing loans and borrowings, trade and other payables less cash and cash equivalents.

(₹ Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings other than convertible preference shares	791.24	252.34
Trade payables	557.70	664.86
Other payables	301.92	75.90
Less: Cash and Cash Equivalents (C&CE)	(275.19)	(165.97)
Less: Bank Balances	(365.47)	(199.10)
Less: Investment in MF (part of C&CE)	(719.31)	(393.83)
Net debt	290.89	234.20
Total Equity	5,568.89	4,716.18
Capital and net debt Gearing ratio	5.22%	4.97%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lending institutions to immediately call back the loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing the capital during the years ended March 31, 2022 and March 31, 2021.

39 Derivative Financial Instruments

The details of outstanding foreign exchange forward contracts and other derivatives designated as cash flow hedges:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Currency	In Million	Currency	In Million
Forward Contracts-Exports	USD	89.50	USD	84.00
	STG	3.00	STG	10.05
	EUR	3.00	EUR	9.00
	AUD	15.05	AUD	15.00
	CAD	6.00	CAD	6.00
	NZD	8.05	NZD	4.25
Forward Contracts -Imports	USD	0.23	USD	0.32
Other Derivatives:				
Options	USD	4.00	USD	2.00
Interest Rate Swaps (notional outstanding)	USD	-	USD	6.00

The foreign exchange forward contracts mature within twelve months or more. The table below shows the derivative financial instruments into relevant maturity groupings based on the remaining period as at balance sheet date.

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Forward Contracts - Exports		In Million	In Million
Not later than one month	USD	8.00	-
	STG	1.00	1.05
	EUR	2.00	1.50
	CAD	1.00	1.00
	AUD	2.00	1.50
	NZD	0.50	1.00
Later than one month and not later than three months	USD	16.50	15.00
	STG	2.00	2.00
	EUR	1.00	2.50
	CAD	2.00	2.00
	AUD	4.00	3.00
	NZD	1.55	2.00
Later than three months and not later than one year	USD	65.00	69.00
	STG	0.00	7.00
	EUR	0.00	5.00
	CAD	3.00	3.00
	AUD	9.05	10.50
	NZD	6.00	1.25

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Forward Contracts - Imports		In Million	In Million
Not later than one month	USD	0.09	0.08
Later than one month and not later than three months	USD	-	0.15
Later than three months and not later than one year	USD	0.14	0.09

During the year ended March 31, 2022 the group has designated certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related transactions for the balance in the cash flow hedging reserve are expected to occur and reclassified to revenue in the Statement of Profit and Loss . However, as at March 31, 2022 , there are no transactions in the hedge reserve that are required to be reclassified to the revenue in the statement of profit & loss account.

Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedged ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted in the statement of profit and loss at the time of hedge relationship rebalancing.

The reconciliation of cash flow hedge reserve for the year ended March 31, 2022 is as follows:

(₹ Crores)

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the period	(0.55)	(1.20)
Changes in the fair value of effective portion of cash flow hedges	0.20	(0.18)
Gain/(Loss) transferred to the Statement of Profit & Loss on occurrence of forecasted hedge transactions	0.35	0.83
Balance at the end of the period	-	(0.55)

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. During the year the Group has not settled any such transactions.

(₹ Crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognised financial asset / liability	-	-	-	0.55
Net amount presented in balance sheet	-	-	-	0.55

40 Business combination achieved in stages of Trophic Wellness Pvt. Ltd., "Trophic".

On 11th June,2021 The Company has acquired additional shareholding to the extent of 13.09% of Trophic. Now Company's holding in Trophic is 52.35%. Based on principles laid down in Ind AS 110, the said Company's status w.e.f 11th June 2021, is changed from Associate to Subsidiary. Trophic, was incorporated in 2010 and is headquartered in Mumbai, India. It is engaged in the manufacturing and marketing of nutraceuticals with its manufacturing unit situated in Sikkim. The details of acquisition date fair value of assets and liabilities of Trophic, and non controlling interest are as follows:

Particulars	(₹ Crores)
Non Current Assets	87.59
Current Assets	66.37
Non Current Liabilities	(2.59)
Current Liabilities	(3.83)
Net Assets	147.54

Particulars	(₹ Crores)
Fair value of previous Investment held	63.60
Carrying value of previous Investment held	(56.23)
Profit on remeasuring of previous Investments at fair value *	7.37

* Profit on remeasuring of previous Investments at fair value included in Miscellaneous income in Note no. 21

Goodwill

Particulars	(₹ Crores)
Cash Payment for additional 13.09% stake in Trophic Wellness Pvt. Ltd.	21.20
Fair value of previous Investment held	63.60
Non controlling Interest**	70.30
Fair value of Net assets on acquisition date	(147.54)
Goodwill	7.56

** Non controlling Interest measured at fair value

Particulars	(₹ Crores)
Total Income since acquisition recognised in P&L	81.41
Profit/(loss) since acquisition recognised in P&L	13.91

41 Disclosure of Interest in Other entities as per Ind AS 112

I Consolidated financial statements comprises the financial statements of Ipca Laboratories Limited, its subsidiaries, associates and joint venture as listed below:

(₹ Crores)

Sr. no.	Name of entity	Principal place of business	Proportion of ownership (%) as at March 31, 2022	Proportion of ownership (%) as at March 31, 2021
(i)	**Subsidiary companies**			
1	Ipca Pharmaceuticals, Inc. USA	USA	100.00	100.00
2	Ipca Laboratories (U.K.) Ltd.	UK	100.00	100.00
3	Ipca Pharma Nigeria Ltd.	Nigeria	100.00	100.00
4	Ipca Pharma (Australia) Pty. Ltd.	Australia	100.00	100.00
5	Ipca Pharmaceuticals Ltd.,SA de CV	Mexico	100.00	100.00
6	Tonira Exports Ltd.	India	100.00	100.00
7	Ramdev Chemical Pvt. Ltd.	India	100.00	100.00
8	Trophic Wellness Pvt. Ltd. (w.e.f. 11th June 2021)	India	52.35	-
(ii)	**Step down Subsidiary companies**			
1	Onyx Scientific Ltd. (Subsidiary of Ipca Laboratories (U.K.) Ltd.)	UK	100.00	100.00
2	Ipca Pharma (NZ) Pty. Ltd. (Subsidiary of Ipca Pharma (Australia) Pty. Ltd.)	New Zealand	100.00	100.00
3	Pisgah Labs Inc, USA (Subsidiary of Ipca Pharmaceuticals, Inc. USA)	USA	100.00	100.00
4	Bayshore Pharmaceuticals LLC. (Subsidiary of Ipca Pharmaceuticals Inc, USA)	USA	100.00	80.00
(iii)	**Joint Venture / Operation**			
1	Avik Pharmaceutical Ltd.	India	50.00	48.99
(iv)	**Associates**			
1	CCPL Software Private Ltd.	India	28.95	28.95
2	Trophic Wellness Pvt. Ltd. (till 10th June 2021)	India	-	39.26
3	Krebs Biochemicals & Industries Ltd.	India	49.65	44.67
4	Lyka Labs Ltd. (w.e.f. 24.11.2021)	India	26.58	-

II Information about Associates and Joint Venture

The consolidated financial statements of the Group include:

Sr. No.	Name of Entity	Nature of Relationship	Principal Activities	Principal place of business	Proportion of ownership (%) as at March 31, 2022	Proportion of ownership (%) as at March 31, 2021
1	Avik Pharmaceutical Ltd.	Joint Venture	Manufacturing	India	50.00	48.99
2	Lyka Labs Ltd. (w.e.f. 24.11.2021)	Associate	Manufacturing & Marketing	India	26.58	-
3	Trophic Wellness Pvt. Ltd. (till 10th June 2021)	Associate	Manufacturing & Marketing	India	-	39.26
4	Krebs Biochemicals & Industries Ltd.	Associate	Manufacturing	India	49.65	44.67

III Investments in Associates and Joint ventures are measured using the Equity Method.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

IV Summarised financial information for individually non-material associates and joint venture

(₹ Crores)

Description	2021-22	2020-21
Share of Profit / (loss) in associates(net)- Non - Material	(23.09)	(7.02)
Share of Profit / (loss) in joint venture (net)- Non - Material	1.86	(0.57)
Total Share of Profit / (loss) in associates and joint venture	(21.23)	(7.59)

V Carrying amount of immaterial entities

(₹ Crores)

Description	As at March 31, 2022	As at March 31, 2021
Carrying amount of interests in the Associates	107.07	71.61
Carrying amount of interests in the Joint Venture	7.62	5.65

VI Financial information about the entity's investments in aggregate for all individually immaterial Joint Venture

(₹ Crores)

Particulars	2021-22	2020-21
Profit or (loss) from continuing operations	1.83	(0.61)
Post-tax profit / (loss) from discontinued operations	-	-
Other Comprehensive Income	0.03	0.04
Total Comprehensive Income	1.86	(0.57)

VII Financial information about the entity's investments in aggregate for all individually immaterial Associates

(₹ Crores)

Particulars	2021-22	2020-21
Profit /(loss) from continuing operations	(22.99)	(7.09)
Post-tax profit / (loss) from discontinued operations	-	-
Other Comprehensive Income	(0.10)	0.07
Total Comprehensive Income	(23.09)	(7.02)

VIII Contingent Liabilities of Associates and Joint Venture

(₹ Crores)

Description	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities including bank guarantee	17.37	3.20
Amount deposited under protest	(3.27)	(0.08)
Total	14.10	3.12
Commitments	0.62	-

42 As per the records of the Registrar of Companies, Maharashtra available on their website, various charges are yet to be satisfied, however, as per records of the Holding company, such loans have been fully repaid and none of the lenders has communicated or demanded any outstanding amount from the Holding company. The summarised details are as under:

Sr. No.	No. of Cases	Aggregate Amount (₹ Crores)	Period range	Reasons
1	20	58.15	1961-2005	Old cases - Records not available / being taken up with lenders.
2	8	42.26	1972-2010	Necessary forms filed, however, ROC records not updated.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2022

43 Disclosure under Schedule III of the Companies Act, 2013 relating to consolidated financial statements are given in statement 2 attached to the financial statements.

44 Figures for the previous year have been regrouped / reclassified /restated wherever considered necessary.

45 The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity, Statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022.

As per our report of even date attached

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm's Registration No. 104767W

Atul Shah
Partner
Membership No. 39569
Mumbai
May 24, 2022

For and on behalf of the Board of Directors

Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

May 24, 2022

Statement 1 (refer Note No. 33)

Related Party Disclosure as required by Indian Accounting Standard – Ind AS 24 "Related Party Transactions" of the Companies (Accounting Standards) Rule 2015.

Transactions with related parties- consolidated accounts

(₹ Crores)

Sr. No.	Particulars	Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Purchase of goods and services	-	-	77.68	64.22	30.00	29.10	18.27	12.86	125.95	106.18
2	Sales of goods and services	-	-	22.72	15.22	10.76	11.51	1.04	1.35	34.52	28.08
3	Rent income	-	-	0.04	0.19	-	-	-	-	0.04	0.19
4	Interest income	-	-	5.91	4.40	1.57	1.61	0.06	-	7.54	6.01
5	Sale of fixed assets	-	-	0.83	-	-	-	0.01	-	0.84	-
6	Purchase of fixed assets (₹ 40,627/-)	-	-	-	-	-	-	0.00	-	0.00	-
7	Rent, expenses paid/(recovered)	-	-	1.20	1.17	-	-	0.17	(0.01)	1.37	1.16
8	Net loans and advances given/ (recovered)	-	-	(3.10)	31.22	(0.40)	(0.60)	9.40	-	5.90	30.62
9	Investments made / (redemption)	-	-	210.62	47.72	0.11	-	-	-	210.73	47.72
10	Shares Issued upon Conversion of Share Warrants (Including Share Premium)	-	26.36	-	-	-	-	-	21.39	-	47.75
11	Remuneration to Directors	24.70	22.34	-	-	-	-	-	-	24.70	22.34
12	Provident Fund to Directors	1.34	1.19	-	-	-	-	-	-	1.34	1.19
13	Post employment benefits of Directors	0.52	0.47	-	-	-	-	-	-	0.52	0.47
14	Sitting Fees to Non-executive Directors	0.52	0.43	-	-	-	-	-	-	0.52	0.43
15	Donation/Corporate Social Responsibility	-	-	-	-	-	-	5.12	2.15	5.12	2.15
16	Security given to Bank/NBFC	-	-	11.00	11.00	-	-	-	-	11.00	11.00
17	Balance at year end:										
	Trade receivables	-	-	12.65	5.66	1.78	0.98	-	-	14.43	6.64
	Loan given	-	-	57.00	66.47	13.78	14.18	6.40	-	77.18	80.65
	Advance given	-	-	11.41	5.04	-	-	3.00	-	14.41	5.04
	Deposit given	-	-	45.00	45.00	-	-	-	-	45.00	45.00
	Interest receivable	-	-	7.10	3.08	-	0.35	0.06	-	7.16	3.43
	Trade payable	-	-	1.16	-	-	-	1.36	1.15	2.52	1.15
	Directors remuneration payable	13.74	12.29	-	-	-	-	-	-	13.74	12.29
	Corporate guarantee/Security given to Bank/NBFC	-	-	11.00	11.00	-	-	-	-	11.00	11.00

Statement 2 (Refer Note No.43)

Disclosure under Schedule III of the Companies Act, 2013 relating to consolidated financial statements.

(₹ Crores)

Name of the entity	2021-22								2020-21							
	Net Assets , i.e. Total Assets minus Total Liabilities		Share in Profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income		Net Assets , i.e. Total Assets minus Total Liabilities		Share in Profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Net assets	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated Net assets	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated Profit or (Loss)	Amount
A. Parent																
Ipca laboratories Limited	98.94	5,509.83	103.24	918.64	38.67	1.16	103.02	919.80	99.49	4,692.19	98.58	1,124.93	(17.50)	0.07	98.62	1,125.00
B. Subsidiaries In India																
Tonira Export Limited	-	0.14	-	(0.01)	-	-	-	(0.01)	-	0.13	-	(0.01)	-	-	-	(0.01)
Ramdev Chemicals Pvt. Ltd.	0.12	6.61	(1.24)	(11.07)	-	-	(1.24)	(11.07)	0.20	9.42	(0.58)	(6.59)	(12.50)	0.05	(0.57)	(6.54)
Trophic Wellness Pvt. Ltd. (w.e.f. 11th June 2021)	0.13	7.30	1.01	9.03	(0.33)	(0.01)	1.01	9.02	-	-	-	-	-	-	-	-
C. Subsidiaries Out Of India																
Ipca Pharmaceuticals, Inc.	0.34	18.83	(1.13)	(10.09)	297.33	8.92	(0.13)	(1.17)	(0.36)	(16.78)	(0.48)	(5.50)	1,837.50	(7.35)	(1.13)	(12.85)
Pisgah Laboratories, Inc.	(1.78)	(98.94)	(1.66)	(14.77)	(101.67)	(3.05)	(2.00)	(17.82)	(1.72)	(81.12)	(1.55)	(17.68)	(462.50)	1.85	(1.39)	(15.83)
Bayshore Pharmaceuticals LLC	0.20	11.02	(1.49)	(13.29)	(78.00)	(2.34)	(1.75)	(15.63)	0.63	29.78	2.33	26.62	(442.50)	1.77	2.49	28.39
Ipca Laboratories (UK) Ltd.	1.19	66.12	(0.43)	(3.80)	(27.33)	(0.82)	(0.52)	(4.62)	0.90	42.38	(0.18)	(2.00)	(837.50)	3.35	0.12	1.35
Onyx Scientific Ltd.	0.56	31.27	2.96	26.36	(10.00)	(0.30)	2.92	26.06	0.75	35.25	1.99	22.71	(130.00)	0.52	2.04	23.23
Ipca Pharma (Australia) Pty. Ltd.	-	0.08	-	0.04	-	-	-	0.04	-	0.05	-	(0.01)	(10.00)	0.04	-	0.03
Ipca Pharma (NZ) Pty. Ltd.	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ipca Pharma Nigeria Ltd.	0.06	3.35	0.47	4.20	(18.00)	(0.54)	0.41	3.66	0.11	5.33	0.46	5.24	145.00	(0.58)	0.41	4.66
Ipca Pharmaceuticals Ltd. SA de CV	(0.02)	(1.15)	-	-	-	-	-	-	(0.02)	(1.15)	-	-	-	-	-	-
D. Non Controlling Interest in Subsidiaries	1.38	76.92	0.64	5.71	1.67	0.05	0.65	5.76	0.31	14.53	0.10	1.13	57.50	(0.23)	0.08	0.90
E. Associates (Investment as per the equity method)																
Indian																
Trophic Wellness Pvt. Ltd. (till 10th June 2021)	0.12	6.64	0.14	1.23	-	-	0.14	1.23	0.78	36.61	0.47	5.39	-	-	0.47	5.39
Krebs Biochemicals Industries Limited	(1.24)	(69.22)	(2.44)	(21.74)	(5.67)	(0.17)	(2.45)	(21.91)	(0.96)	(45.19)	(1.09)	(12.48)	(17.50)	0.07	(1.09)	(12.41)
Lyka Labs Ltd. (w.e.f. 24.11.2021)	0.06	3.44	(0.28)	(2.48)	2.33	0.07	(0.27)	(2.41)	-	-	-	-	-	-	-	-
F. Joint Venture (Investment as per the equity method)																
Avik Pharmaceutical Ltd.	(0.06)	(3.36)	0.21	1.83	1.00	0.03	0.21	1.86	(0.11)	(5.25)	(0.05)	(0.61)	(10.00)	0.04	(0.05)	(0.57)
Total	100.00	5,568.89	100.00	889.79	100.00	3.00	100.00	892.79	100.00	4,716.18	100.00	1,141.14	100.00	(0.40)	100.00	1,140.74

Form AOC-I

(Pursuant to first proviso to section 129 (3) read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associates/joint venture

Part "A": Subsidiaries

(₹ Crores)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Total Income/ Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/(Loss) After Taxation	% of Shareholding
1	Ipca Pharma Nigeria Ltd., Nigeria	Nigerian Naira	1.89	2.17	11.87	11.87	-	7.50	0.10	0.03	0.07	100%
2	Ipca Pharmaceuticals, Inc., USA	USD	242.62	20.55	263.35	263.35	209.90	10.63	0.62	0.08	0.54	100%
3	Bayshore Pharmaceuticals LLC, USA	USD	10.11	45.33	176.44	176.44	-	156.01	(17.94)	-	(17.94)	100%
4	Pisgah Laboratories Inc., USA	USD	52.55	(22.60)	36.59	36.59	-	5.94	(14.71)	0.05	(14.76)	100%
5	Ipca Pharmaceuticals Ltd. SA de CV, Mexico	Mexican Peso	1.15	(1.15)	-	-	-	0.00	0.00	-	0.00	100%
6	Ipca Pharma (Australia) Pty. Ltd., Australia	AUD $	0.13	0.54	0.68	0.68	0.00	0.08	0.05	0.02	0.03	100%
7	Ipca Pharma (NZ) Pty. Ltd., New Zealand	AUD $	0.00	-	0.02	0.02	-	-	-	-	-	100%
8	Ipca Laboratories (UK) Ltd., UK	STG £	17.44	51.83	75.41	75.41	48.67	41.69	16.19	-	16.19	100%
9	Onyx Scientific Ltd., UK	STG £	2.50	77.44	100.06	100.06	7.17	130.11	32.14	5.78	26.36	100%
10	Tonira Exports Limited	INR	0.10	0.14	0.24	0.24	-	0.02	0.01	0.00	0.01	100%
11	Ramdev Chemical Pvt. Ltd.	INR	0.50	60.50	124.54	124.54	-	48.52	(14.25)	(3.67)	(10.58)	100%
12	Trophic Wellness Pvt. Ltd. (w.e.f. 11th June 2021)	INR	4.05	97.37	110.26	110.26	-	81.41	18.97	5.06	13.91	52.35%

1) Financials reporting period of all subsidiaries is 31st March.
2) Exchange rate considered as on 31st March, 2022, 1 USD= ₹ 75.7875, 1 STG £= ₹ 99.4635, 1 N(Nigerian Naira) = ₹ 0.1825, 1 AUD $ = ₹ 56.7800, 1 MXN (Mexican Peso)= ₹ 3.8157.
3) The Company own 100% interest in all the above subsidiaries except Trophic Wellness Pvt. Ltd., where company owned 52.35% holding in the subsidiary company w.e.f. 11th June,2021.
4) Ipca Pharma (NZ) Pty. Ltd., New Zealand is a wholly owned subsidiary of Ipca pharma (Australia) Pty. Ltd.
5) Onyx Scientific Ltd., UK is wholly owned subsidiary of Ipca Laboratories (UK) Ltd., UK.
6) Bayshore Pharmaceuticals LLC is a wholly owned subsidiary of Ipca Pharmaceuticals, Inc., USA.
7) Ipca Pharmaceuticals, Inc., USA holds 90 % and Onyx Scientific Ltd., UK holds 10 % Share capital of Pisgah Laboratories Inc., USA.

For and on behalf of the Board of Directors

Premchand Godha
Chairman & Managing Director (DIN 00012691)

Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)

Prashant Godha
Executive Director (DIN 00012759)

Harish P. Kamath
Company Secretary (ACS - 6792)
May 24, 2022

Mumbai
May 24, 2022

Part "B": Associates and Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associates and Joint Venture

PARTICULARS	ASSOCIATES				JOINT VENTURE
Name of Associates/ Joint Venture	*** CCPL SOFTWARE PRIVATE LTD.**	**KREBS BIOCHEMICALS & INDUSTRIES LTD.**	**TROPHIC WELLNESS PVT. LTD.****	**LYKA LABS LTD.**	**AVIK PHARMACEUTICAL LTD.**
1. Latest Audited Balance Sheet Date	-	31st March, 2022	31st March, 2022	31st March, 2022	31st March, 2022
2. Shares of the Associates/ Joint Venture held by Ipca Laboratories Limited as at 31st March, 2022					
- Number of Shares	55,000	1,07,05,195	15,90,000	76,24,923	5,44,000
- Amount of Investment in Associates/ Joint Venture (₹ in Crores)	*	78.77	49.61	98.11	6.95
- Extent of Holding %	28.95%	49.65%	39.26%	26.58%	50.00%
3. Description of how there is Significant Influence	Percentage of shareholding	Company under joint management control	Company promoted and managed with other promoters	Significant shareholding and joint management control	Significant shareholding and joint management control
4. Reason why the associates/joint venture is not consolidated	-	-	-	-	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crores)	-	(37.28)	34.37	3.54	0.49
6. Profit/ (Loss)*** for the Year					
i. considered in consolidation	*	(21.91)	1.23	(2.41)	1.86
ii. not considered in consolidation	-	(22.96)	1.90	41.55	1.70

* Cost fully written off in books. No effect of share of loss / profit from CCPL Software Pvt. Ltd. is taken since 01.04.2004, as the Company has no further commitment towards its share either of loss / profit in this company.

** Trophic Wellness Pvt. Ltd. was Associate till 10th June, 2021 hence all details shown in this table are as at 10th June, 2021.

*** Profit/(Loss) for the year means Total Comprehensive income for the year.

For and on behalf of the Board of Directors

Premchand Godha
Chairman & Managing Director (DIN 00012691)

Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)

Prashant Godha
Executive Director (DIN 00012759)

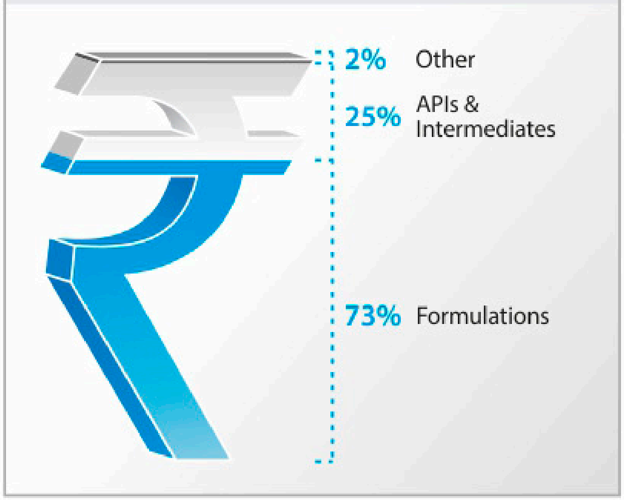
Harish P. Kamath
Company Secretary (ACS - 6792)
May 24, 2022

Mumbai
May 24, 2022

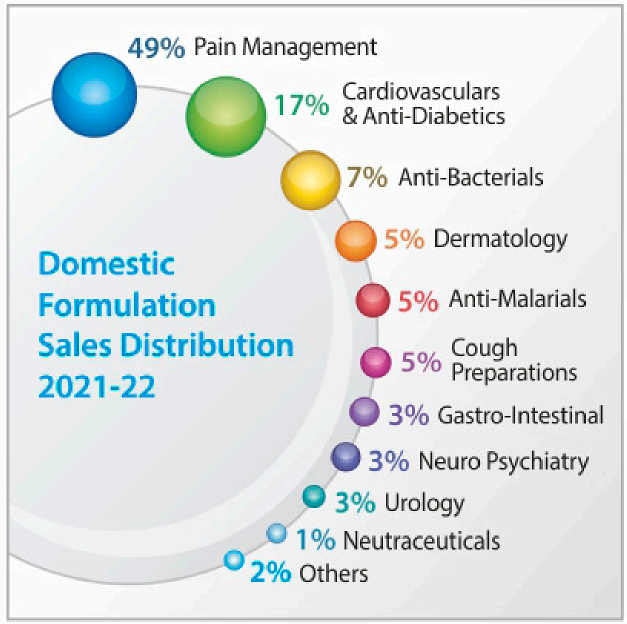
Notes

Notes

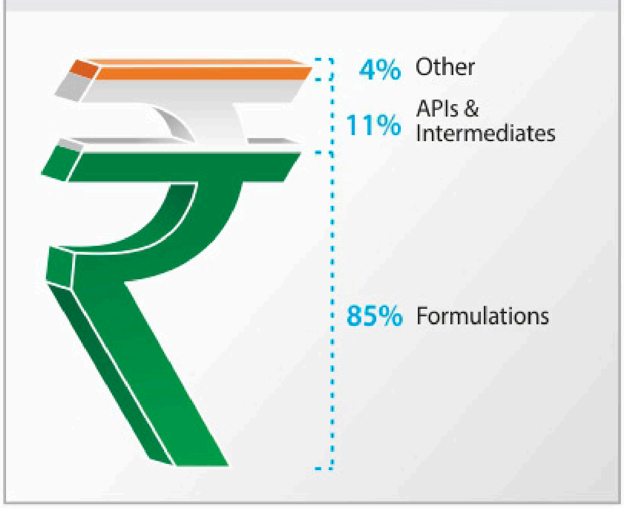
Total Income 2021-22
₹5455.49 Crores



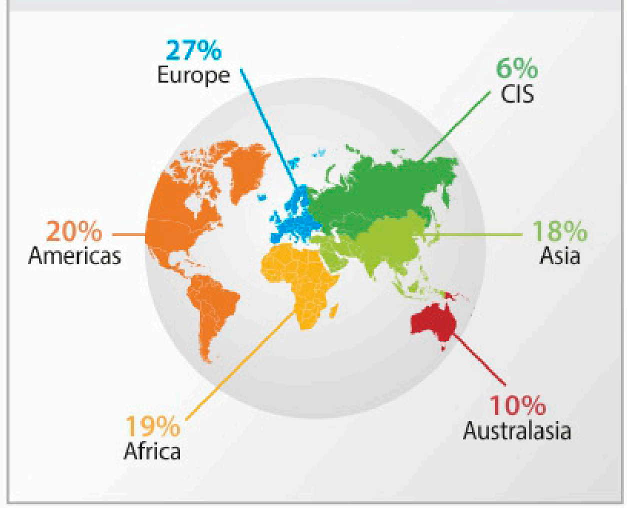
Domestic Formulation Sales Distribution 2021-22



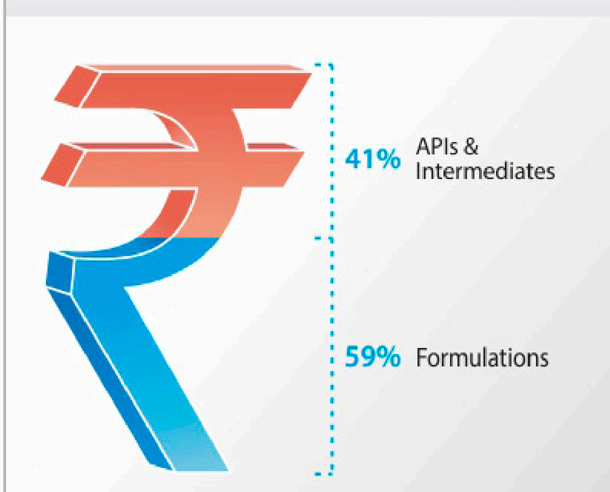
Domestic Income 2021-22
₹2952.80 Crores



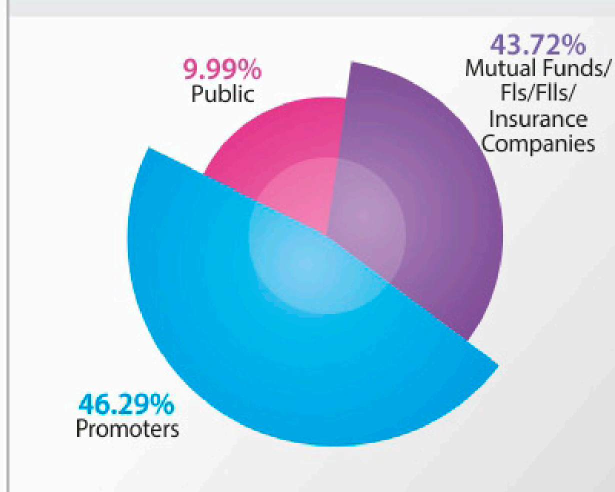
Continent Wise Exports (%)



Export Income 2021-22
₹2502.69 Crores



Distribution of Shareholding as on 31st March, 2022



International Subsidiaries

Australia
Ipca Pharma (Australia) Pty. Ltd.
6, Morotai Avenue, Ashburton
VIC 3147, Melbourne, Australia
T: + 613 98856172
F: + 613 98856173
E: ipca.australia@ipca.com

New Zealand
Ipca Pharma (NZ) Pty. Ltd.
3-A, St. Oswalds Road
Greenlane
Auckland 1061, New Zealand
T: + 64 2136 0880
E: ipca.newzealand@ipca.com

Nigeria
Ipca Pharma Nigeria Ltd.
17, Osolo Way, Ajao Estate
Isolo, Lagos, Nigeria
T: + 2341 7926460 / 4528738
F: + 2341 4521146
E: ipca.nigeria@ipca.com

UK
Ipca Laboratories (UK) Ltd.
Units 97-98, Silverbriar
Sunderland Enterprise Park East
Sunderland SR5 2TQ, UK
T: + 44 191 516 6 517
F: + 44 191 516 6 526
E: contact@ipcauk.com

UK
Onyx Scientific Ltd.
Silverbriar
Sunderland Enterprise Park East
Sunderland SR5 2TQ, UK
T: + 44 191 516 6 516
F: + 44 191 516 6 526
E: info@onyxipca.com

USA
Ipca Pharmaceuticals, Inc.
51, Cragwood Road, Suite No. 307
South Plainfield, NJ 07080, USA
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F: + 1 908 412 6564
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Pisgah Labs, Inc.
3222, Old Hendersonville Highway
Pisgah Forest, NC 28768, USA
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F: + 1 828 884 5540
E: ipca.usa@ipca.com

USA
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F: + 1 973 376 5500
E: customerservice@bayshoreus.com

ipca

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Regd. Office: 48, Kandivli Industrial Estate, Kandivli (West), Mumbai 400 067 (Maharashtra), India
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CIN: L24239MH1949PLC007837

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IPCA LABORATORIES LTD.

Information as per Section 197 of the Companies Act 2013 and forming part of the DIRECTORS' REPORT for the year ended 31st March, 2022

SR. NO.	NAME OF THE EMPLOYEE	DESIGNATION	AGE (YEARS)	QUALIFICATION	DATE OF JOINING	REMUNERATION [RS]	% OF EQUITY SHARES HELD	EXPERIENCE [YEARS]	LAST EMPLOYMENT HELD BEFORE JOINING THE COMPANY.	PERIOD OF LAST EMPLOYMENT [YEARS]
A	**EMPLOYED THROUGHOUT THE YEAR**									
1	MR. PREMCHAND GODHA	CHAIRMAN & MANAGING DIRECTOR	74	B.Com,A.C.A.	31/10/1975	10,57,11,749	2.29	49	PROFESSIONAL PRACTICE	-
2	MR. AJIT KUMAR JAIN	JT. MANAGING DIRECTOR	66	B.Sc,A.C.A.	02/04/1980	6,63,37,303	0.02	41	INDUSTRIAL OXYGEN CO.PVT.LTD.- MANAGEMENT ACCOUNTANT.	1
3	MR. PRANAY GODHA	EXECUTIVE DIRECTOR	49	B SC, MBA	16/04/2003	3,85,87,740	0.67	24	-	-
4	MR. PRASHANT GODHA	EXECUTIVE DIRECTOR	47	B.COM, PGDBM	16/08/2011	3,50,22,266	0.62	23	MAKERS LABORATORIES LIMITED. - EXECUTIVE DIRECTOR .	12
5	DR. SANJAY U KAPADIA	PRESIDENT - CORPORATE QUALITY ASSURANCE	60	M.SC, PHD	06/02/2020	2,05,47,915	-	37	APOTEX RESEARCH PVT LTD. - HEAD - QUALITY & COMPLIANCE	11
6	DR. GOUTAM MUHURI	PRESIDENT - R&D (FORMULATIONS)	63	M PHARM, PGDBM P HD	01/02/2017	2,47,62,488	-	38	AIVIVA BIOPHARMA	1
7	MR. SUNIL GHAI	PRESIDENT - DOMESTIC MARKETING	59	M.SC	04/02/2002	1,86,02,445	0.03	35	CROSLANDS RANBAXY LABORATORIES - SALES MANAGER	1
8	MR. E J BABU	PRESIDENT - GLOBAL BUSINESS	58	B.A., DMM	01/01/1993	1,55,73,912	0.01	35	TATA PHARMA	1
9	MR. PABITRA KUMAR BHATTACHARYA	PRESIDENT - OPERATIONS (API)	52	B SC, B TECH (CHEM)	23/05/2013	1,75,69,136	-	28	SUN PHARMA - V P - API OPERATIONS & PROCESS ENGINEERING	19
10	MS. KAVITA N SEHWANI	PRESIDENT - GENERICS	51	B PHARM, DBM	17/06/1996	1,57,07,831	0.02	26	CIPLA LTD	1
11	MR. SHASHIL MENDONSA	SR . VICE PRESIDENT - EXPORTS	49	B SC	03/01/2000	1,39,96,399	0.02	29	LUPIN LABS LTD.	7
12	MR. RAJENDRA N DADHICH	SR . VICE PRESIDENT - CORPORATE QUALITY	58	M SC, DIS, DTQM	12/05/2010	1,41,80,480	-	34	WOCKHARDT LTD	23
13	DR. ASHOK KUMAR	PRESIDENT - R& D(CHEMICALS)	68	M.SC,P.HD	06/09/2000	1,07,11,740	0.03	39	LUPIN LAB. LTD. - DEPUTY DIRECTOR	6
14	MR. HARISH P KAMATH	CORPORATE COUNSEL & COMPANY SECRETARY	62	M.COM-1, LLB, ACS	20/09/1993	1,39,38,779	-	40	VICKERS SYSTEMS INTERNATIONAL LIMITED - SR. OFFICER - SECRETARIAL SERVICES	4
15	DR. AVADHUT CHANDRAKANT SUKHTANKAR	PRESIDENT SUPPLY CHAIN MANAGEMENT	69	B SC, LLB, GDMM, PGDMM, MBA, PHD	09/01/2020	1,30,93,755	-	42	WELINGKAR INST. OF MANAGEMENT	7
B	**EMPLOYED FOR THE PART OF THE YEAR**									
1	MR. SANJAY KAPUR	VICE PRESIDENT OPERATIONS	58	M TECH,B COM	05/07/2007	64,75,333	-	34	INDIAN ARMY	20
2	MR. HARSHAD N JAGAD	GENERAL MANAGER ACCOUNTS (PROJECT)	59	B COM	01/04/1990	27,77,279	-	41	EXON LABORATORIES PVT. LTD.	2
3	MR. SWATANTRA TANDON	VICE PRESIDENT SALES & MARKETING	47	PGDBM,B.Sc,	12/05/2020	72,10,401	-	25	ALEMBIC PHARMA LTD.	11
4	MR. SANJAY KUMAR SINHA	PRESIDENT - OPERATIONS (FORMULATIONS)	63	M PHARM	26/03/2014	91,36,704	-	37	FAMY CARE	1
5	MR. SHAILESH LAUL	PRESIDENT OPERATIONS FORMULATIONS	54	B. PHARM, M. PHARM, MBA	30/08/2021	66,88,149	-	31	STRIDES PHARMA SCIENCE LTD.	5

Notes:

1. All the employees have adequate experience to discharge the responsibilities assigned to them.
2. Nature of employment is contractual for all employees.
3. Except Mr. Premchand Godha, Mr. Pranay Godha and Mr. Prashant Godha, Directors who are related to each other, none of the other employees are related to any Director of the company.
4. Remuneration includes Salary,Commission,Allowances,Leave Travel Assistance,Ex-Gratia,Leave Encashment, Medical Reimbursement,Gratuity,Company's contribution to the employees' Provident Fund, National pension scheme, Family Pension Fund and Superannuation Funds.
5. Perquisites are valued as per Income Tax Rules..

For and on behalf of the Board

Premchand Godha
Chairman & Managing Director

24th May, 2022