Natvarlal Vepari & Co.
CHARTERED ACCOUNTANTS
903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel. : 6752 7100 Fax : 6752 7101 E-mail : nvc@nvc.in

INDEPENDENT AUDITORS' REPORT

TO
The Management of
IPCA FOUNDATION

Report on the Audit of Financial Statements

We have audited the attached Financial Statements of **Ipca Foundation** *("the Company")* which comprise the Balance Sheet as at March 31, 2022, the Statement of Income and Expenditure, the Statement of Cash Flows for the period (18.05.2021 to 31.03.2022), and the Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of The Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its excess of income over expenditure and its Cash Flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the 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 Financial Statements under the provisions of the Companies Act, 2013 and the Rules 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 Financial Statements.

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

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's Report but does not include the Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the 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 Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of The Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of

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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 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.

5. Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

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

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

Report on Other Legal and Regulatory Requirements:

1. The Companies (Auditor's Report) Order, 2020 ("the CARO 2020 Order") issued by the Central Government in terms of section 143(11) of the Act, is not applicable to the Company, as it is licensed to operate under section 8 of the Act.

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 purpose of our audit;

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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 Income and Expenditure, the Statement of cash flow and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts.

d. In our opinion, the aforesaid Financial Statements comply with theInd ASspecified under section 133 of the Act.

e. On the basis of 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 system with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls system 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 Company has not paid any remuneration to its directors during the year. Hence, compliance with the provisions of section 197 of the Act is not applicable.

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 does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts to be transferred to the investor education and protection fund by the company.

   iv. (a) The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either

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from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity 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 such audit procedures 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 (iv)(a) and (iv)(b) above contain any material misstatement.

v. The Company is a section 8 Company with Charitable Objects, and it intends to prohibit the payment of dividend to its members. Hence compliance with provisions of Section 123 of The Companies Act, 2013 is not applicable to the Company.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

N Jayendran
Partner
Membership No. 40441
Mumbai, Dated: May 23, 2022
UDIN: 22040441AJLXXN9353

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Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements' section of our report to the Management of Ipca Foundation of even date)

Report on the Internal Financial Controls with reference to Financial Statements under Clause Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls system with reference to Financial Statements of Ipca Foundation ("the Company") as of March 31, 2022, in conjunction with our audit of the Financial Statement of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal

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Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial 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 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 Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

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

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

Opinion

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

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

N Jayendran
Partner
Membership No. 40441
Mumbai, Dated: May 23, 2022
UDIN: 22040441AJLXXN9353

IPCA FOUNDATION LIMITED

Notes forming part of the financial statements as at 31st March, 2022.

1. Company overview

"Ipca Foundation" ("the Company"), a non-profit making Company, within the meaning of Section 8 of the Companies Act, 2013, and was incorporated, on May 18, 2021. The Company is limited by Guarantee.

The Company is registered under Section 12A of the Income Tax Act 1961 and has obtained registration to accept donations u/s 80-G of the Income Tax Act 1961.

The Company is a wholly owned subsidiary of Ipca Laboratories Limited and is managed by the nominees of Ipca Laboratories Limited. The primary objects of the Company are to carry on activities as an Implementing agency with the Ministry of Corporate affairs for undertaking Corporate Social Responsibility related activities and other charitable and support activities.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

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.

The financial statements are presented in INR and all values are rounded to the nearest thousand, except otherwise stated.

This first financial statements are prepared from the date of incorporation from 18.05.2021 to 31.03.2022.

2.2 Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realization 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.

2.3 Use of estimates

2.3.1 Use of Judgments, Estimates and Assumption

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 sand 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 judgments, 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.

a. Defined benefit plans (Gratuity benefits)

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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.

b. 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.

c. 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 recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognized 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 recognized.

d. 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.

2.4 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

- **Ind AS 103 – Reference to Conceptual Framework**

  The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

- **Ind AS 16 – Proceeds before intended use**

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The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any material impact in its recognition of its property, plant and equipment in its financial statements.

- **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

  The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

- **Ind AS 109 – Annual Improvements to Ind AS (2021)**

  The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

- **Ind AS 106 – Annual Improvements to Ind AS (2021)**

  The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

2.5 Revenue recognition

a. **Grants and Donation Received**

General grants and donations are recognized in the year in which the same are received.

Grants and Donation for specific projects are recognized as income to the extent utilized during the year as per terms of agreement/sanction and unutilized amounts are carried forward as liability and disclosed as "Unutilized Donor Funds" under Other Current Liabilities until the actual expenditure is incurred.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term bank deposits, if any with original maturity of three months or less.

2.7 Property, Plant and Equipment

a) All 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-

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b) Stores and spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.

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

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

e) Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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

2.8 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.

2.9 Intangible Assets

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.

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

Software	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

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recognized in the statement of profit and loss when the asset is derecognized.

2.10 Impairment of assets

Carrying amount of Property, Plant and Equipment and Intangible assets, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized 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 considered. 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.

2.11 Provisions, Contingent Liabilities, and Contingent Assets

Provision

A Provision is recognized if, because 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 recognized 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 recognized in the period in which the change occurs.

2.12 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

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when an employee renders the related service.

Gratuity

Gratuity, a post-employment defined benefit obligation is provided based on 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 recognized 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 because 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 recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

2.13 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

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

participants would use when pricing the asset or liability, if market participants act in their economic best interest.

2.14 Financial instruments

a. 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 marketplace (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 contingentconsideration recognized in a business combination which is subsequently measured at fair value through profitand loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amountsapproximate 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 amortized 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 recognized from initial recognition of the receivables.

De-recognition of financial instruments

A financial asset is de-recognised only when

NATVARLAL VEPARI & CO. CHARTERED ACCOUNTANTS Mumbai

- 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-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

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-recognized 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 recognized 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.

2.15 Taxes

The Company has been incorporated as a " not for Profit company under section 8 of Companies Act 2013, and has been granted registration under section 12A of theIncome tax Act, 1961. The Company is prohibited by its objects to carry out any activity on commercial basis and it operates on a non - commercial basis and thereby is eligible for tax exemption. No tax provision is therefore made.

NATVARLAL VEPARI & CO.
Mumbai
CHARTERED ACCOUNTANTS

Ipca Foundation
CIN - U85300MH2021NPL360586
Balance Sheet as at 31st March 2022

(All figures are in Rs'000 unless otherwise stated)

Particulars	Notes	as at 31-Mar-22
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1	
Capital Work In Progress		
Other Intangible Assets		23.60
Intangible Assets Under Development		-
Other Non - Current Assets		-
Total Non- Current Assets		**23.60**
Current Assets		
Financial Assets		-
Cash and Cash Equivalents	3	691.86
Other Financial Assets		-
Other Current Assets		-
Total Current Assets		**691.86**
Total Assets		**715.46**
CORPUS, OTHER EQUITY AND LIABILITIES		
Corpus		-
Other Equity	4	591.04
Total of Corpus and other Equity		**591.04**
		-
Non Current Liabilities		
Provisions		-
Current Liabilities		
Financial Liabilities		-
Trade Payables	5	-
Micro enterprises and Small Enterprises		-
Other than Micro enterprises and small Enterprises		14.45
Other Current Liabilities		-
Other current liabilities	6	109.97
Provisions		-
		124.42
Total Liabilities		**715.46**

Significant Accounting Policies
Notes to the Financial Statements

As per our Report of even date

For Natvarlal Vepari & Co
Firm Registration No. 106971W
Chartered Accountants

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

N Jayendran
Partner
Membership No. 40441

Place :Mumbai
Date: 23-5-22

For and on behalf of Board of Directors

Ajit Kumar Jain
Director
(DIN 00012657)

Prashant Godha
Director
(DIN 00012759)

Ipca Foundation

CIN - U85300MH2021NPL360586

Note to Standalone Statements for the year ended 31st March 2022

(All figures are in Rs'000 unless otherwise stated)

1 **Intangible Assets**

Particulars	Software			Total
GROSS BLOCK				
As on March 31, 2021	-	-	-	-
Additions	25.96	-	-	25.96
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	**25.96**	-	-	**25.96**
ACCUMULATED DEPRECIATION				
As on March 31, 2021	-	-	-	-
For the year 2021-22	2.36	-	-	2.36
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	**2.36**	-	-	**2.36**
Net Block as on March 31, 2022	**23.60**	-	-	**23.60**

2 **Taxation**

The Company has been incorporated as a " not for Profit company" under section 8 of Companies Act 2013 , and has been granted registration under section 12A of the Income Tax Act, 1961. The Company is prohibited by its objects to carry out any activity on commercial basis and it operates on a non - commercial basis and thereby is eligible for tax exemption. No tax provision is therefore made.

a. Income Tax recognised in the Statement of Income and Expenditure

	for the period 18-05-21 to 31-03-22
Current Tax	-
Deferred Tax	-
Total Income Tax expenses recognised in the Current Year	-

b. Current Tax Assets (Net)

	As at 31st March 2022
At the start of the year	-
Charge for the year	-
Tax paid during the year	-
At the end of the year	-

3 **Cash and Cash Equivalents**

	As at 31st March 2022
Cash in Hand	-
Balance with Bank in current Accounts	691.86
Total	**691.86**

4 **Other Equity**

	As at 31st March 2022
Balance in Surplus Account	591.04
Other Comprehensive Income	-
Total	591.04

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

5 Trade Payables

	As at 31st March 2022
Micro and small Enterprises	-
Other that Micro and small Enterprises	14.45
Total	14.45

As per the information available with the Company, there are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprise Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

Disclosure of ageing - as at March 31,2022

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	14.45	-
Not due	-	-	-	-
Less than one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Total	-	-	14.45	-

6 Other Current Liabilities

	As at 31st March 2022
Statutory Dues	109.97
Total	109.97

7 Finance Cost

	for the period 18-05-21 to 31-03-22
Interest on Direct Taxes	0.76
Total	0.76

8 Other Expenses

		for the period 18-05-21 to 31-03-22
Bank Charges		0.65
Conveyance		1.47
Penalty Late Filling		9.60
Printing and Stationery		12.89
Professional Charges		2.36
Auditor's Remuneration		
- Audit Fees	17.70	
- Others	20.65	38.35
Total		65.32

NATVARLAL VEPARI & CO.
Mumbai
CHARTERED ACCOUNTANTS

9 Related Party Disclosures

AS per IND AS -24, the disclosures of Transactions with the related parties are given below:

i) List of related parties where control exists and related parties with whom transactions have taken place and relationships.

Sr No	Name of Related Parties	Relationship
1	Ipca Laboratories Ltd	Holding Company

Sr No	Name of Related Parties	Relationship
1	Shri Premchand Godha	Key Management Personnel
2	Shri Ajit Kumar Jain	
3	Shri Prashant Godha	
4	Shri Dev Parkash Yadava	

II) Transaction during the year with related parties

Sr	Nature of Transaction	Holding Company 2021-22
1	**Donation Received**	
	Ipca Laboratories Ltd	43,600.00

10 The primary objects of the Company are to carry on activities as an Implementing agency with the Ministry of Corporate affairs for undertaking Corporate Social Responsibility related activities and other charitable and support activities. Therefore the company has only one reportable segment under IndAS 108 - Segment reporting.

11 CAPITAL MANAGEMENT AND FINACIAL INSTRUMENTS

Capital Management

The Company manages its capital structure and make adjustment in light of changes in operating condition. The Overall strategy remains unchanged as compared to last year.

Financial Instruments

Valuation : All Financial Instruments are initially recognized and subsequently re-measured at fair value. All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Liquidity Risk

Liquidity risk is the risk that suitable source of counting for the company's business activities may not be availed, Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through as adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain fund at higher rates. The Company monitors rolling forecasts of the Company's cash flow position and ensure that the Company is able to meet its financial obligation at all times including contingencies.

Credit Risk

Credit risk is the risk that a customer or counterparty to financial instruments will fail to perform or pay amount due causing financial loss to the company. It arises from cash and cash equivalents, financial instruments and principally from credit exposures to customers relating to outstanding receivables. The company deals with highly rated counterparties.

11.1 Fair Value measurement hierarchy of Financial Instruments

Particulars	As at 31st March 2022			
			Carrying Amount	Fair Value
Financial Assets				
At Amortised Cost				
Financial Assets - Non Current				
Cash and cash equivalents			691.86	691.86
Financial Assets - Current				
Financial Liabilities				
At Amortised Cost				
Trade Payable	-		14.45	14.45

NATVARLAL VEPARI & CO.
Mumbai
CHARTERED ACCOUNTANTS

11.2 Financial Instruments - Valuation Methodology

All Financial instruments are initially recognized and subsequently re measured at fair value as described below:

a) The Fair value of investment in unquoted Mutua; Fund is Measured at quoted price or NAV

b) All Foreign currency denominated assets and liabilities are translated using exchange rate at reporting date

The financial instruments are categorized into three levels on the inputs used to arrive at fair value measurements as described below:
Level 1: : Quoted process (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly: and

Level 3 : Inputs based on unobservable market data.

12 Statement of ratios is disclosed by way of Statement A

13 The Company was incorporated on 18-May-2021 and therefore figures for the previous year is not given.

14 **Approval of Financial Statements**
The Financial statements were approved for issue by the members, at its meeting held on May 23, 2022.

As per our Report of even date

For Natvarlal Vepari & Co
Firm Registration No. 106971W
Chartered Accountants

NATVARLAL VEPARI & CO. ★ Mumbai ★ CHARTERED ACCOUNTANTS

N Jayendran
Partner
Membership No. 40441

Place :Mumbai
Date: 23-5-22

For and on behalf of Board of Directors

Ajit Kumar Jain
Director
(DIN 00012657)

Prashant Godha
Director
(DIN 00012759)

Ipca Foundation

CIN - U85300MH2021NPL360586

Statement of Income and Expenditure for the period May 18, 2021 to March 31, 2022

(All figures are in Rs'000 unless otherwise stated)

Particulars	Notes	2021-22
INCOME		
Donations		43,600.00
Other Income		-
Total Income		**43,600.00**
EXPENDITURE		
Programme Expenses		
Animal Welfare		500.00
Education		25,464.23
Women Empowerment		65.00
Environment		2,290.00
Health		8,585.68
Rural Infrastructure		135.61
Skill Development		5,400.00
Sports		500.00
		42,940.52
Employee Benefit Expense		-
Finance Cost	7	0.76
Other Expenses	8	65.32
Depreciation		2.36
Total Expenditure		**43,008.96**
Surplus for the Year		**591.04**
OTHER COMPREHENSIVE INCOME		
a) Items that will not be reclassified to Statement of Income and Expenditure		-
b) Items that will be reclassified to statement of income and Expenditure		-
Total of Other Comprehensive Income		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**591.04**

Significant Accounting Policies
Notes to the Financial Statements

As per our Report of even date

For Natvarlal Vepari & Co
Firm Registration No. 106971W
Chartered Accountants

NATVARLAL VEPARI & CO. ★ Mumbai ★ CHARTERED ACCOUNTANTS

N Jayendran
Partner
Membership No. 40441

Place :Mumbai
Date: 23-5-22

For and on behalf of Board of Directors

Ajit Kumar Jain
Director
(DIN 00012657)

Prashant Godha
Director
(DIN 00012759)

IPCA FOUNDATION
CIN - U85300MH2021NPL360586
Statement of Cash Flow for the period 18-05-21 TO 31-03-22

(All figures are in Rs'000 unless otherwise stated)

Particulars	2021-22	
Cash Flow from Operating Activities		
Surplus for the year		**591.04**
Adjustment for		
- Depreciation and amortisation		2.36
		593.40
Adjustments for increase / decrease in working capital		
Trade Payables	14.45	
Other Current Liabilities	109.97	124.42
Cash Generated from Operations		**717.82**
Tax Paid (net)		-
Net Cash Generated from Operations		**717.82**
Cash Flow in Investing Activities		
Purchase of Intangible Assets		(25.96)
Net Cash Flow from Investing Activities		**(25.96)**
Cash Flow from Financing Activities		-
Increase / decrease in cash and cash equivalents		**691.86**
Cash and Cash equivalent at the beginning of the period		-
Cash and Cash equivalent at the end of the period		**691.86**
Components of cash and cash equivalent		
- Balance in Bank account		**691.86**

For and on behalf of Board of Directors

For Natvarlal Vepari & Co
Firm Registration No. 106971W
Chartered Accountants

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

N Jayendran
Partner
Membership No. 40441

Place :Mumbai
Date: 23-5-22

Ajit Kumar Jain
Director
(DIN 00012657)

Prashant Godha
Director
(DIN 00012759)

IPCA FOUNDATION
CIN - U85300MH2021NPL360586
Statement of Changes in equity for the period 18-05-21 TO 31-03-22
(All figures are in Rs'000 unless otherwise stated)

1 The company is limited by guarantee and hence no disclosure for Equity Share Capital is required.

2 **Other Equity**

Particulars	**OTHER EQUTY**		
	Surplus From Income And Expenditure Accounts	**Other Comprehensive Income**	**Total Other Equity**
Balance at the beginning of the period i.e 18 May, 2021	-	-	-
Surpus for the year	591.04	-	591.04
Balance at the end of the period i.e 31 March, 2022	**591.04**	**-**	**591.04**

For Natvarlal Vepari & Co
Firm Registration No. 106971W
Chartered Accountants

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

N Jayendran
Partner
Membership No. 40441

Place :Mumbai
Date: 23-5-22

For and on behalf of Board of Directors

Ajit Kumar Jain
Director
(DIN 00012657)

Prashant Godha
Prashant Godha
Director
(DIN 00012759)

IPCA FOUNDATION
CIN - U85300MH2021NPL360586
Statement of Financial Ratios for the period 18-05-21 TO 31-03-22

Sr No	Ratio	Numerator	Denominator	Ratio 2021-22	Ratio 2020-21	% of variation	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	5.56	-	NA	NA
2	Debt-Equity Ratio	Total Debts	Shareholder's Equity	NA	-	NA	NA
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NA	-	NA	NA
4	Return on equity ratio	Net profit after taxes - Preference Dividend	Avg Shareholder's equity	NA	-	NA	NA
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	NA	-	NA	NA
6	Trade receivables turnover ratio	Revenue	Average Accounts Receivable	NA	-	NA	NA
7	Trade payables turnover ratio	Net credit expenses	Average Trade Payables	9.04	-	NA	NA
8	Net Profit Ratio	Net Profit after taxes	Net Sales	NA	-	NA	NA
9	Return on Capital Employed	Earnings before interest and taxes	Capital Employed	NA	-	NA	NA
10	Return on Investment	{MV(T1)-MV(T0) - SUM[C(t)]}	{MV(T0)+SUM[W(t)*C(t)]}	NA	-	NA	NA

Note; This being the first year of operatons of the company, % variation and hence reasons are not given.

For Ipca Foundation

A. K. Jain
Director

NATVARLAL VEPARI & CO. ★ CHARTERED ACCOUNTANTS ★ Mumbai

For Ipca Foundation

Prashant Godha
Director