



Ten Years' Highlights

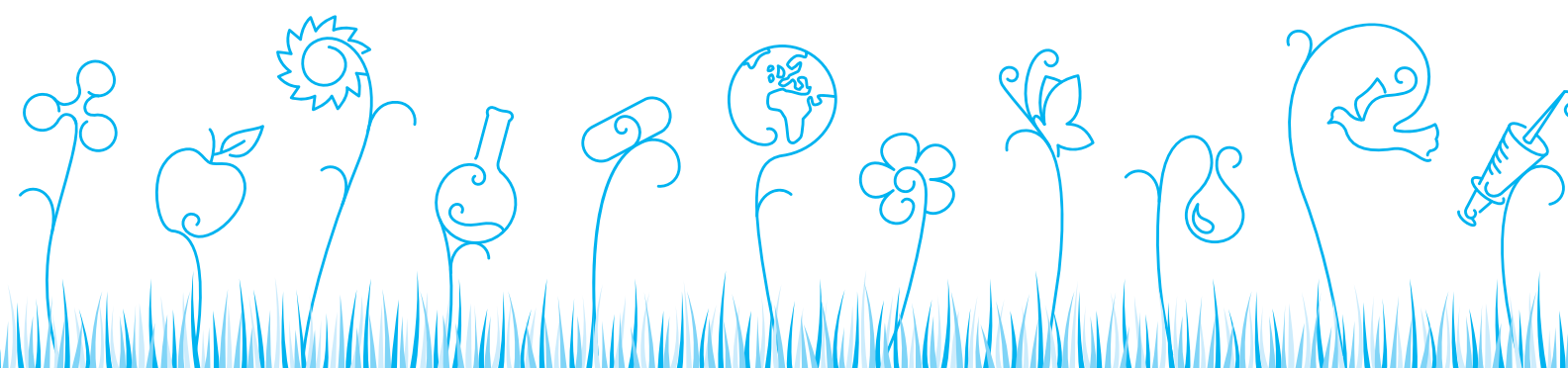
(₹ Crores)

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Total Income	3256.25	3120.40	2870.73	3178.87	3258.75	3687.74	4432.12	5201.40	5491.22	5925.81
Domestic Income	1190.23	1367.54	1440.88	1617.13	1694.54	1956.90	2288.37	2484.21	2983.09	3282.39
Export Income	2066.02	1752.86	1429.85	1561.74	1564.21	1730.84	2143.75	2717.19	2508.13	2643.42
Earning before Interest, Depreciation & Tax #	826.66	556.27	341.81	435.20	478.82	765.26	993.41	1534.47	1259.52	1054.04
Profit before Tax	629.09	357.73	111.45	258.20	282.80	557.39	784.97	1379.96	1074.11	750.49
Net Profit after Tax	477.37	256.11	92.52	188.29	233.11	454.91	652.46	1140.77	860.37	505.70
Share Capital	25.24	25.24	25.24	25.24	25.24	25.27	25.27	25.37	25.37	25.37
Reserves & Surplus	1956.37	2196.57	2257.81	2449.88	2669.71	3111.39	3640.33	4727.35	5450.39	5851.93
Net Worth	1981.61	2221.81	2283.05	2475.12	2694.95	3136.66	3665.60	4752.72	5475.76	5877.30
Dividend (%)	250%	50%	-	50%	50%	150%	250%	400%	400%	400%
Earnings per share (₹)	37.83	20.29	7.33	14.92	18.47	36.01	51.64	90.08	@33.91	@19.93
Book Value per share (₹)	157.02	176.05	180.91	196.12	213.55	248.25	290.11	374.67	@215.84	@231.66

Before Foreign Exchange Gain /Loss

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

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Board of Directors	
Premchand Godha (DIN 00012691)	Executive Chairman
Ajit Kumar Jain (DIN 00012657)	Managing Director
Pranay Godha (DIN 00016525)	Managing Director
Prashant Godha (DIN 00012759)	Executive Director
Anand T. Kusre (DIN 00818477)	Independent Director
Dr. (Mrs.) Manisha Premnath (DIN 05280048)	Independent Director
Kamal Kishore Seth (DIN 00194986)	Independent Director
Dr. Narendra Mairpady (DIN 00536905)	Independent Director
Corporate Management team	
Premchand Godha	Executive Chairman
Ajit Kumar Jain	Managing Director / CFO
Pranay Godha	Managing Director/CEO
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
Pabitra Kumar Bhattacharya	President - Operations (API)
Dr. Sanjay Kapadia	President - Corporate Quality Assurance
Dr. Goutam Muhuri	President - R&D (Formulations)
Kavita Sehwhani	President - Generics
Shashil Mendonsa	President - International Marketing
Shailesh Laul	President - Operations (Formulations)
Company Secretary	
Harish P. Kamath (ACS 6792)	
Auditors	
For Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W)	
Cost Auditors	
ABK & Associates, Cost Accountants (Firm Regn. No. 000036)	
Secretarial Auditors	
Parikh & Associates, Company Secretaries	

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

Axis Bank Ltd.
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
E41 & 129 & 128/2
Tarapur Industrial Area
Palghar 401 506
T: +91 02525 661046

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
T: +91 7029955599 F: +9103595257722

NOTICE

NOTICE is hereby given that the 73rd ANNUAL GENERAL MEETING (AGM) of Ipca Laboratories Limited (CIN L24239MH1949PLC007837) will be held on Thursday, 10th August, 2023 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, 2023 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, 2023 together with the Report of the Auditors thereon.
2. To confirm payment of interim dividend of ₹ 4/- per equity share as final dividend for the financial year ended 31st March, 2023.
 3. To appoint a Director in place of Mr. Prashant Godha (DIN 00012759) who retires by rotation and being eligible, offers himself for re-appointment.
 4. To appoint a Director in place of Mr. Premchand Godha (DIN 00012691) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Mr. Pranay Godha (DIN 00016525) as the Managing Director of the Company for a period of 5 years commencing 11th November, 2023 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and as set out in the agreement dated 29th May, 2023 entered into between the Company and Mr. Pranay Godha, which agreement be and is hereby specifically approved with liberty to the Board (which includes a duly constituted Committee of the Board) to alter and vary the terms and conditions of his appointment, including remuneration (within the overall limits specified under Section 197 of the Act), as it may deem fit, and in such manner as may be agreed to between the Board and Mr. Pranay Godha.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution”.

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

“RESOLVED THAT in supersession of all the earlier resolution(s) passed in this regard and pursuant to the provisions of Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company and statutory modification(s) or re-enactment of the Act for the time being in force and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any modifications thereof or supplements thereto (“the Regulations” / “SEBI SBEB Regulations”), and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed and imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board), the approval and consent of the members of the Company be and is hereby accorded to the “Ipca Laboratories Ltd. - Employees Stock Option Scheme 2023” (“Ipca ESOS 2023”/“Scheme”) and to the Board to create, offer and grant, from time to time, upto 50,74,084 Employee Stock Options, being not exceeding 2% of the paid-up Equity Share Capital of the Company, at any point of time, that could be granted to the eligible employees and whole-time/executive directors of the Company, as determined in terms of Ipca ESOS 2023, from time to time, in one or more tranches, each such option granted would be exercisable on conversion into one equity share of the face value of Re. 1/- each fully paid-up of the Company, on payment of the requisite exercise price to the Company, and on such other terms and conditions as may be determined by the Board in accordance with the provisions of the scheme and provisions of applicable laws as may be prevailing at the relevant time.

RESOLVED FURTHER THAT the equity shares so issued and allotted from time to time in accordance with Ipca ESOS 2023 as mentioned hereinbefore shall rank pari-passu in all respect with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action such as rights issues, bonus issues, merger or sale of any division of the Company and other such corporate actions, the Board be and is hereby authorised to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the Options granted earlier including issue of any additional equity shares by the Company to the option grantees without breaching the aforesaid ceiling of 2% of the paid up equity share capital of the Company.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the scheme shall automatically stand adjusted, as the case may be, in the same proportion as the present face value of Re. 1/- per equity share bears to the revised face value of the equity shares of the Company after such sub- division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT for the purpose of creating, offering, issuing, allotting and listing of the Securities and/or for the purpose of complying with any Guidelines or Regulations that may be issued from time to time by any appropriate authority, the Board be and is hereby authorized on behalf of the Company to make any modification, change, variation, alteration or revision in Ipca ESOS 2023 or to suspend, withdraw or revive Ipca ESOS 2023, from time to time, provided that such variation, modification, alteration or revision shall not be detrimental to the interest of the option grantees.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to determine the terms and conditions of issue of the Securities under the scheme and also to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with power on behalf of the Company to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the Shareholders of the Company.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to take necessary steps for listing of the equity shares allotted under the Ipca ESOS 2023 on the Stock Exchanges, where the equity shares of the Company are listed, as per the provisions of the Listing Regulations with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby further authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary including appointment of Merchant Bankers, Solicitors, Registrars, Compliance Officer and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of Ipca ESOS 2023, as also to prefer applications to the appropriate authorities and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s) and for executing all other documents required to be filed and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to the Nomination and Remuneration Committee with power to sub-delegate to any Executive/Officer of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

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

"RESOLVED THAT pursuant to section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder, the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any modifications thereof or supplements thereto ("the Regulations" / "SEBI SBEB Regulations"), including any statutory modification(s) or re-enactment(s) of the Act, the Rules or the SEBI SBEB Regulations, for the time being in force and subject to such approvals, consents, permissions and sanctions as may necessary and subject to such conditions and modifications as may be prescribed and imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), the approval and consent of the members of the Company be and is hereby accorded to extend the benefits of the "Ipca Laboratories Ltd. - Employees Stock Option Scheme 2023" ("Ipca ESOS 2023"/ "Scheme") referred to in Resolution No. 6 of this Notice, to the employees and whole-time executive directors who are in the permanent employment of the holding (if any, in future) or existing and future Company's subsidiary company(ies), as may be permissible under the SEBI SBEB Regulations ("hereinafter referred to as 'Employees'"), in such manner, during such period, for allotment of stock options convertible into equity shares of the Company, in one or more tranches, and on such terms and conditions including the price as the Board may decide in accordance with the applicable SEBI Regulations or other provisions of the laws as may be prevailing at the relevant time, within the overall ceiling of 50,74,084 equity shares of the face value of Re. 1/- each fully paid-up, as mentioned in the aforesaid resolution No. 6.

RESOLVED FURTHER THAT the equity shares, if any, so issued and allotted from time to time in accordance with Ipca ESOS 2023 as mentioned hereinbefore shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger or sale of division of the Company and other corporate actions, the Board be and is hereby authorised to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the Options granted earlier including issue of any additional equity shares by the Company to the Option grantees without breaching the aforesaid ceiling of 2% of the paid up equity share capital of the Company.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the scheme shall automatically stand adjusted, as the case may be, in the same proportion as the present face value of Re. 1/- each per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT for the purpose of creating, offering, issuing, allotting and listing of the Securities and/or for the purpose of complying with any guidelines or regulations that may be issued from time to time by any appropriate authority, the Board be and is hereby authorized on behalf of the Company to make any modification, change, variation, alteration or revision in Ipca ESOS 2023 or to suspend, withdraw or revive Ipca ESOS 2023, from time to time, provided such variation, modification, alteration or revision is not detrimental to the interests of the option grantees.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to determine the terms and conditions of issue of the options and securities and do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary for such purpose and with power on behalf of the Company to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to take necessary steps for listing of the equity shares allotted under the Ipca ESOS 2023 on the Stock Exchanges, where the equity shares of the Company are listed, as per the provisions of the Listing Regulations with the concerned stock exchanges and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby further authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary including appointment of Merchant Bankers, Solicitors, Registrars, Compliance Officer and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of Ipca ESOS 2023, as also to prefer applications to the appropriate Authorities and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s) and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee of the Board with power to sub-delegate to any Executive/Officer of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

8. 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 2023-24 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 No. 5 to 8 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on 29th May, 2023 considered that the special business under Item No. 5 to 8 being considered unavoidable, be transacted at the 73rd AGM of the Company.
2. General instructions for accessing and participating in the 73rd 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 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 73rd 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 73rd 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 73rd 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 73rd 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 73rd 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 73rd 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 73rd AGM and facility for those Members participating in the 73rd AGM to cast vote through e-Voting system during the 73rd 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 Monday, 7th August, 2023 at 9.00 a.m. and ends on Wednesday, 9th August, 2023 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, 3rd August, 2023, 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 3rd August, 2023.
- 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:

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


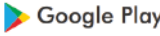


The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

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.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on    

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site. After successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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 toll free No. 1800 22 55 33

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?

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***

1. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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.
 - c) How to retrieve your 'initial password'?
 - (i) 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 from 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'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
2. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) 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.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) 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.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. 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 is live.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. 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 scrtunizer@ipca.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) 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.
2. 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.

3. 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 Mhatre at evoting@nsdl.co.in.

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:

1. 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.
2. 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 shareholders 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 for Individual shareholders holding securities in demat mode.
3. 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.
4. 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.
5. 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.
6. 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.

7. 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 3rd August, 2023.
8. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 73rd AGM by email and holds shares as on the cut-off date i.e. 3rd August, 2023, 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.
9. 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.
10. Mr. P. N. Parikh (Membership No. FCS327 CP1228) or failing him Ms. Jigyasa N. Ved (Membership No. FCS6488 CP6018) or failing them Mr. Mitesh Dhaliwala (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.
11. During the 73rd AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 73rd AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 73rd 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 73rd AGM.
12. The Scrutinizer shall after the conclusion of e-Voting at the 73rd 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 73rd AGM, who shall then countersign and declare the result of the voting forthwith.
13. 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).
14. 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 73rd AGM and the Annual Report for the financial year 2022-23 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2023, 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 73rd AGM and the Annual Report for the year 2022-23 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.
15. The Notice of the 73rd AGM and the Annual Report for the financial year 2022-23 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2023, 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 73rd AGM will also be available on the website of NSDL at www.evoting.nsdl.com.
16. 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 2014-15 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.
17. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN), KYC details and nomination by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the said details to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit these details to Link Intime India Pvt. Ltd. SEBI vide its circular dated 16th March, 2023 has mandated the RTA's to freeze the folios not having these details after 1st October, 2023.
18. 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. 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.
19. 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
29th May, 2023

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

At the meeting of the Board of Directors of the Company held on 29th May, 2023, as recommended by the Nomination and Remuneration Committee, Mr. Pranay Godha (DIN 00016525) was re-appointed as the Managing Director of the Company for a further period of 5 (five) years with effect from 11th November, 2023. Accordingly, an agreement setting out the terms and conditions of his re-appointment including remuneration payable to him was entered into between the Company and Mr. Pranay Godha, Managing Director on 29th May, 2023.

This re-appointment is in compliance with Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders.

Mr. Pranay Godha, aged 51 years has done his B.Sc. from University of Bombay and has also obtained a degree in MBA from the New York Institute of Technology, USA. He has nearly two 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 was re-designated as the Managing Director of the Company with effect from 1st April, 2023 for the remainder period of his current tenure of appointment upto 10th November, 2023. He is also designated as the Chief Executive Officer (CEO) of the Company.

He holds Directorship in the following companies:

1. Kaygee Laboratories Private Limited	2. Mexin Medicaments Private Limited
3. Kaygee Investments Private Ltd.	4. Paschim Chemicals Private Limited

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

He is a member of the Company's Risk Management Committee of the Board.

He holds 17,00,990 equity shares (0.67%) of the Company.

Mr. Pranay Godha is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

Details of number of board meetings held and attended by him during his tenure as the Director of the Company are given in the Corporate Governance Report of the respective financial years annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

During the financial year 2022-23 he has attended all the 6 (six) board meetings held by the Company.

He has not retired/resigned as a Director of any listed company in the past 3 years.

The Agreement referred to in the resolution at item 5 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. Pranay Godha upon his appointment as the Managing Director of the Company.

The abstract of the terms and conditions of his re-appointment as mentioned in the said Agreement is as follows:

1. Period: 5 (five) years with effect from 11th November, 2023.
2. The Managing Director shall exercise and perform such powers and duties as the Board shall from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board and further subject to the Superintendence, Control and Direction of the Board.
3. The Managing Director shall devote his whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use his best endeavours to promote interests of the Company.
4. During the period of his employment as the Managing Director, he shall, whenever required by the Company, undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. The Company shall, in consideration of the performance of his duties, pay to the Managing Director, during the continuance of this Agreement, the following remuneration:

- a) Salary of ₹ 17,00,000/- (Rupees seventeen Lacs only) per month with such annual increment as may be decided by the Board, in consultation with the Nomination and Remuneration Committee, subject to a ceiling of ₹ 25,00,000/- (Rupees Twenty five Lacs Only) per month.
- b) Commission: Such remuneration by way of commission, in addition to the above salary and perquisite, calculated with reference to the net profits of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, in consultation with Nomination and Remuneration Committee, subject to the overall ceilings stipulated under Sections 197 and other applicable provisions of the Companies Act, 2013, but not more than 200% of his annual salary. The specific amount payable to the Managing Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.
- c) Perquisites: In addition to the salary and commission, the Managing Director shall be entitled to the following perquisites :
 - i) Housing: The expenditure incurred by the Company on hiring furnished accommodation for the Managing Director will be subject to a maximum of fifty per cent of the salary. In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance of 50% (fifty percent) of the salary.
Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of ten per cent of the salary of the Managing Director.
 - ii) Medical, Hospitalization and Health-care expenses: Actual expenses incurred for the Managing Director and his wife including mediclaim policy premium to be paid by the Company.
 - iii) Leave Travel Concession: For the Managing Director and his wife, once in a year incurred in accordance with any rules specified by the Company subject to a ceiling of one month salary.
 - iv) Club Fees: Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.
 - v) Personal accident insurance: As per any rules specified by the Company.
 - vi) Provident Fund / National Pension Scheme / Superannuation Fund: Company's contribution to Provident Fund, National Pension Scheme and Superannuation Fund shall be as per the scheme applicable to the employees of the Company.
 - vii) Gratuity : As per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
 - viii) Encashment of un-availed privilege leave at the end of the tenure of the appointment.
 - ix) Company maintained car with driver.
 - x) Land line Telephone(s) at the residence and mobile phone(s) for official use.
6. In the event of no profit or inadequacy of profits, the Company shall pay the aforesaid remuneration to Managing Director by way of Salary and perquisites as minimum remuneration, subject to the provisions of Schedule V of the Companies Act, 2013 or with the approval of the Central Government, if required.
7. The Managing Director shall be entitled to annual privilege leave on full salary for a period of thirty days and such leave shall be allowed to be accumulated for not more than one hundred twenty days during the tenure of appointment.
8. The Managing Director shall be entitled to :
 - a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors; and
 - b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.
9. As long as Mr. Pranay Godha functions as the Managing Director of the Company, he shall not be paid any sitting fee for attending the Meetings of the Board of Directors or Committee thereof.
10. The Managing Director shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company of any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets, or secret processes of the Company and the Managing Director shall during the continuance

of his employment hereunder also use his best endeavour to prevent any other person from so doing PROVIDED HOWEVER that such divulgence or disclosure by the Managing Director to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be contravention of this clause.

11. Any property of the company or relating to the business of the Company, including memoranda, notes, records, reports, plates, sketches, plans, recorded diskettes, drives, tapes, electronic memory gadgets or other documents which may be in the possession of or under the control of the Managing Director or to which the Managing Director has at any time access shall, at the time of the termination of his employment be delivered by the Managing Director to the Company or as it shall direct and the Managing Director shall not be entitled to the copyright in any such document which he hereby acknowledges to be vested in the Company or its assigns and binds himself not to retain copies of any of them.
12. The Company may forthwith terminate the employment, if the Managing Director shall at anytime be permanently prevented by ill-health or accident from performing his duties.
13. The Company shall be entitled to forthwith terminate the agreement if he becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.
14. If the Managing Director is guilty of inattention to or negligence in the conduct of the business or of any other act or omission inconsistent with his duties as the Managing Director or of any breach of this Agreement which in the opinion of the Board renders his retirement from the office of Managing Director desirable, the Company by not less than thirty days notice in writing to the Managing Director determine this Agreement and upon the expiration of such notice, the Managing Director shall cease to be the Director of the Company.
15. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at anytime by giving to the other party 60 days notice in writing in that behalf, without the necessity of showing any cause, and on the expiry of the period of such notice, this Agreement shall stand determined and the Managing Director shall cease to be the Director of the Company. Provided that the aforesaid notice may be waived mutually by the parties hereto.
16. The terms and conditions including the remuneration payable to the Managing Director for the said appointment and/or this Agreement may be altered and varied, from time to time, by the Board as it may, in its discretion, deem fit.
17. This Agreement represents the entire agreement, between the parties hereto on the subject matter thereof.

Except Mr. Pranay Godha, appointee himself, his father Mr. Premchand Godha, Executive Chairman and his brother Mr. Prashant Godha, Executive Director and their respective relatives, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives may be considered to be interested or concerned in passing of this resolution.

The Board of Directors accordingly recommends the resolution set out at Item No. 5 of the accompanying notice for the approval of the members by way of an Ordinary Resolution.

Item No. 6 and 7

The Company appreciates the critical role its employees play in the organizational growth. The primary objective of this employees stock option scheme is to reward the key employees for their association, dedication and contribution to the goals of the Company. The Company intends to use this scheme to attract, retain and motivate key talents working with the Company and its Subsidiary(ies) by way of rewarding their high performance and motivate them to contribute further to the overall corporate growth and profitability. The Company views employees as its most important resource and asset and the employees stock option scheme as a long-term incentive tool that would enable the employees not only to become co-owners but also to create wealth for themselves out of such share ownership in future. To promote the culture of employee ownership, the Company is intending to issue employees stock options under "Ipca Laboratories Ltd. - Employees Stock Option Scheme 2023" ("Ipca ESOS 2023" / "Scheme") to the eligible employees and directors of the Company, its subsidiaries and holding company, as determined, from time to time.

Ipca ESOS 2023 is drawn in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended (SEBI SBEB Regulations) and other applicable laws. The Scheme has been recommended by the Nomination and Remuneration Committee of the Board at its meeting held on 29th May, 2023 and is also approved by the Board of Directors of the Company at their meeting held on 29th May, 2023.

The Scheme will be operated and administered under the superintendence of the Company's Nomination and Remuneration Committee, which is the Committee of the Board of Directors, the majority Members of which Committee are Independent Directors. The Nomination and Remuneration Committee will formulate the detailed terms and conditions of the Scheme including but not limited to:

1. Number of options to be granted to individual employee, and in aggregate;
2. Terms on which the options will vest;

3. The conditions under which options vested in employees may lapse in case of termination of employment for misconduct;
4. The exercise period within which an employees should exercise the options granted and lapsing of options granted on failure to exercise the options within the exercise period;
5. The specified time period within which the employees shall exercise the vested options in the event of resignation of an employee;
6. Mechanism for direct allotment of shares;
7. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
8. The procedure for making a fair and reasonable adjustment to the number of options and/or to the exercise price in case of rights issues, bonus issues and other corporate actions;
9. The grant, vesting and exercise of options in case of employees who are on deputation, long leave, etc.; and
10. Any other related or incidental matters.

According to Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 no scheme shall be offered to employees of a company unless the shareholders of the company approve it by passing a special resolution in the general meeting. Accordingly, Item Number 6 and 7 to this Notice are proposed to be passed as Special Resolutions.

Disclosure/main features of Ipca ESOS 2023 pursuant to the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") and the Companies Act, 2013 ("the Act") are as under :

(a) Brief description of the Scheme

The Ipca ESOS 2023 provides for grant of stock options to the eligible permanent employees and/or directors of the Company and/or its holding (if any in future) and subsidiary company(ies), as may be permissible under the SEBI SBEB Regulations (hereinafter referred to as 'employees'). Each stock option will be, upon exercise, convertible into one fully paid-up equity share of the Company of the face value of Re. 1/- each.

(b) Total number of options to be granted

The total number of Options to be granted shall not exceed 50,74,084 Options.

The Options granted are convertible into not more than 50,74,084 equity shares, being not more than 2% of the total paid up equity share capital of the Company, that would be available for allotment upon exercise of options granted to the employees under Ipca ESOS 2023. Each option when exercised would be converted into one equity share of the face value of Re. 1/- each fully paid-up.

In case of any corporate action such as rights issue, bonus issue, merger or sale of any division of the Company, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of options/ equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares to be so issued.

(c) Identification of classes of employees entitled to participate in the Ipca ESOS 2023

All permanent employees and whole-time or executive directors (hereinafter referred to as "employees") of the company and employees and whole-time or executive directors of its subsidiary companies and holding company, shall be eligible to participate in this scheme subject to determination or selection by the Nomination and Remuneration Committee/Board.

However, following classes of employees/ directors shall not be eligible under this scheme:

- Independent directors;
- Promoters or persons belonging to promoter group; and
- Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity share capital of the Company.

The class of employees eligible for participating in the scheme shall be determined on the basis of the grade, number of years' service, performance, role assigned to the employee and such other parameters as may be decided by the Nomination and Remuneration Committee in its sole and absolute discretion, from time to time.

The options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner, whatsoever.

(d) Appraisal Process for determining the eligibility of the employees to Employees Stock Option Scheme

The appraisal process for determining the eligibility of the employee will be specified by the Nomination and Remuneration Committee and will be based on criteria such as the grade of employee, length of service, performance record, expected potential contribution by the employee and/or by any such criteria that may be determined by the Nomination and Remuneration Committee in its sole and absolute discretion.

(e) Requirements of vesting and period of vesting

The options granted shall vest so long as the employee continues to be in the employment of the Company. The Nomination and Remuneration Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance based vesting and the proportion in which options granted would vest (subject to the minimum and maximum vesting period as specified below).

The vesting period for options granted shall not be earlier than 1 (one) year and shall not be later than 5 (five) years from the date of grant of such options. The exact proportion in which and the exact period over which the options granted would vest would be determined by the Nomination and Remuneration Committee, subject to the minimum vesting period of one year from the date of grant of options.

(f) The maximum period within which the options shall be vested

The options granted shall have a vesting period of maximum 5 years and shall vest only on achievement of milestones, in case of performance based vesting, as would be determined by the Nomination and Remuneration Committee.

(g) The exercise price or pricing formula

The equity shares to be issued upon conversion of options would be issued at a price per share (Exercise Price), as the Board/Committee may determine on the date(s) of the grant of option(s) at its sole discretion, which exercise price shall not be at a discount of more than 75% to the latest available closing price of Company's shares on a listed stock exchange where there is highest trading volume in Company shares on a day immediately prior to the date of the meeting of the Board of Directors or committee thereof in which the options are granted.

(h) The exercise period and the process of exercise

The exercise period may commence from the date of vesting and shall expire not later than 5 years from the date of vesting or such other period as may be decided by the Nomination and Remuneration Committee from time to time. The options will lapse if not exercised within the specified exercise period or as may be specified by the Nomination and Remuneration Committee. The options granted may also lapse under certain circumstances like termination of employment for misconduct, resignation, etc. even before the expiry of the specified exercise period. Once vested, the option grantee may exercise his rights to convert the options granted into equity shares by making an application to the Company and paying the exercise price.

(i) Lock-in Period (if any)

Unless otherwise decided to the contrary by the Nomination and Remuneration Committee of the Board, there shall not be any lock-in-period for the shares allotted pursuant to the exercise of the vested options.

(j) Maximum number of options to be issued per employee and in aggregate

The maximum number of Stock Options to be granted to an eligible employee/director shall be decided by the Nomination and Remuneration Committee. However, the number of Stock Options that may be granted to an eligible employee/ director under the Ipca ESOS 2023 shall not exceed 1,00,000 Stock Options. The Nomination and Remuneration Committee reserves the right to decide the number of options to be granted and the maximum number of options that can be granted to each employee within this ceiling.

(k) Maximum quantum of benefits to be provided per employee

Apart from grant of stock options as stated above, no monetary benefits are contemplated under the scheme. The maximum quantum of benefits underlying the stock options issued to an employee shall be equal to the difference between the option exercise price and the market price of the shares on the exercise date.

(l) Implementation and Administration

The Ipca ESOS 2023 is proposed to be implemented and administered directly by the Company and not through any Trust.

(m) Whether the Scheme involves new issue of equity shares by the Company or secondary acquisition or both

The Ipca ESOS 2023 will involve only new issue of equity shares by the Company.

(n) Disclosure and accounting policies

The Company shall follow IND AS 102 on share based payments and accounting policies as prescribed by the SEBI SBEB Regulations and those prescribed by the concerned authorities, from time to time, including such other applicable disclosures. In particular, the Company shall conform to the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations.

(o) Method of option valuation

To calculate the employee compensation cost, the company shall use the intrinsic value method for valuation of the options granted. In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the directors' report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the directors' report.

(p) The conditions under which options granted/vested may lapse

The granted as well as vested options shall lapse in case of termination of employment due to misconduct or due to breach of Company policies or breach of the terms of employment. Further, irrespective of employment status, in case vested options are not exercised within the prescribed exercise period, then such vested options shall also lapse.

(q) The specified time period within which the employee shall exercise the vested options in the event of a cessation of employment or resignation from employment

In the case of cessation of employment due to death of the employee, all vested options can be exercised by the optionees legal heirs within 1 (One) year from the date of such death.

In the case of cessation of employment due to permanent incapacity of the employee, all vested options can be exercised by the option grantee or nominee of the option grantee, as applicable, within 1 (One) year from the date of such event.

(r) Terms & conditions for buyback, if any, of specified securities covered under these regulations

The Scheme does not envisage any buyback and hence not applicable

(s) Other terms:

The Board, based on the recommendations of the Nomination and Remuneration Committee, shall have the absolute authority to vary, modify or alter the terms of the scheme in accordance with the Regulations and Guidelines as prescribed by the Securities and Exchange Board of India or Regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the option grantees.

The Board recommend the resolutions at Item Nos. 6 and 7 of the Notice for the approval of the members by way of Special Resolutions.

The directors, key managerial personnel or their relatives may be deemed to be concerned or interested in these resolutions to the extent of options and shares that may be granted/allotted to them under the scheme and to the extent of their shareholding as members.

Item No. 8

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 2023-24. 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. 8.

The Board of Directors accordingly recommend the resolution set out at Item No. 8 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
29th May, 2023

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 73rd Annual Report and Audited Financial Statements for the financial year ended 31st March, 2023.

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS

(₹ crores)

	STANDALONE		CONSOLIDATED	
	Year ended 31.3.2023	Year ended 31.3.2022	Year ended 31.3.2023	Year ended 31.3.2022
Sales and other Income	5925.81	5491.22	6369.94	5896.36
Profit before finance cost and depreciation	1023.04	1291.00	1052.39	1375.83
Less : Finance cost	43.92	7.24	45.54	7.69
Depreciation and Amortisation	228.63	209.65	261.56	232.42
Profit before tax	750.49	1074.11	745.29	1135.72
Less : Provision for taxation				
Current Tax	223.95	197.20	230.14	207.01
Short / (Excess) provision of taxes for earlier years	-	0.08	0.22	0.50
Deferred Tax Liability / (Asset)	20.84	16.46	23.00	17.26
Net Profit	505.70	860.37	491.93	910.95

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, India Ratings & Research (A Fitch Group Company) has reviewed and assigned the following ratings to Company's working capital limit, long term loan and commercial paper :

- Fund / Non-Fund based working capital limit (₹ 17500 Millions) - IND AA+ / Stable / IND A1+
- Long Term Loan (₹ 4000 Millions) - IND AA+ / Stable / IND A1+
- Commercial Paper (₹ 500 Millions) - IND A1+

COVID –19 PANDEMIC

The Covid-19 pandemic which began in late 2019 caused unprecedented disruption in economic activities globally. The World Health Organization (WHO) declared Covid-19 as a global health emergency on 30th January, 2020. India too suffered waves 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 has changed the way we operate. The consumer behavior and consumption pattern have also undergone changes. There is no doubt that Covid-19 pandemic had a profound impact on pharmaceutical industry with demand changes and shift towards telemedicine and online consultancy with doctors.

As on 5th May, 2023, WHO ended the Covid-19 public health emergency of international concern. Though, the virus causing Covid-19 disease will remain as a permanently established pathogen in humans and animals for the foreseeable future, this pandemic has now nearly reached the endemic stage.

MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Development

The pharmaceutical industry is responsible for the research, development, manufacturing and distribution of medications. The entire world recognized the importance of healthcare and pharmaceuticals as the world battled the Covid-19 pandemic in the last 3 years. The pharmaceutical industry product landscape has since changed. New molecules such as cell and gene-therapy and mRNA have increased in the drug development pipeline. This change is likely to bring newer technologies, supply chain and unique product life cycle. Now out of crippling effect of pandemic, the pharmaceutical industry is estimated to grow to about US \$ 2.4 trillion by 2030. 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 largest provider of generic drugs globally and the country is known for its affordable vaccines and generic medications. Indian pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry. India is also 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.

India is home to nearly 3,000 pharmaceutical companies with over 10,500 manufacturing units employing nearly 3 million people making it one of the largest employer industry in the country.

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 ₹ 5925.81 crores as against ₹ 5491.22 crores in the previous year, a growth of 8%. On a consolidated basis, the total income of the Company has increased by 8% to ₹ 6369.94 crores as against ₹ 5896.36 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 ₹ 1023.04 crores as against ₹ 1291.00 crores in the previous financial year. The operations have resulted in a net profit of ₹ 505.70 crores during the financial year under report as against ₹ 860.37 crores in the previous financial year, a decline of 41%.

On a consolidated basis, the Earnings before interest, depreciation and taxation amounted to ₹ 1052.39 crores as against ₹ 1375.83 crores in the previous financial year. The consolidated operations have resulted in a net profit of ₹ 491.93 crores during the financial year under report as against ₹ 910.95 crores in the previous financial year, a decline of 46%.

Break-up of Sales (standalone)

(₹ Crores)

	2022-23				2021-22			
	Domestic	Exports	Total	Growth	Domestic	Exports	Total	Growth
Formulations	2760.71	1639.19	4399.90	10%	2508.27	1486.74	3995.01	12%
APIs & Intermediates	373.05	1004.23	1377.28	-	358.70	1021.39	1380.09	-8%
Total Sales	3133.76	2643.42	5777.18	7%	2866.97	2508.13	5375.10	6%
Growth	9%	5%	7%		21%	-8%	6%	

Key Financial Ratios (standalone)

		31 st March, 2023	31 st March, 2022
1.	Debtors Turnover Ratio	6.60	6.70
2.	Inventory Turnover Ratio	1.20	1.08
3.	Interest Coverage Ratio	24.00	173.97
4.	Current Ratio	2.91	3.13
5.	Debt Equity Ratio	0.24	0.14
6.	Operating Profit Margin (%)	12.28%	18.33%
7.	Net Profit Margin (%)	8.53%	15.67%
8.	Return on Net Worth (%)	8.60%	15.71%

Due to lower business growth, increase in the material cost, energy 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, lower net profit margin and lower 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 ₹ 2643.42 crores as against ₹ 2508.13 crores in the previous year, a growth of 5%. Formulation exports of the Company has increased by 10% to ₹ 1639.19 crores and exports of APIs and Drug Intermediates have de-grown by 2% to ₹ 1004.23 crores.

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. In April 2023, the US FDA conducted the inspection of the Company's formulations manufacturing unit situated at Piparia (Silvassa) from 18th April, 2023 to 26th April, 2023. At the conclusion of the inspection, the US FDA issued a Form 483 with 3 (three) observations. The Company has submitted its comprehensive response on these observations to the US FDA within the stipulated time and shall work closely with the agency to resolve these issues at the earliest.

The Company takes the quality and compliance issues with utmost importance and remains committed to maintain the highest standards of quality and compliance across all its facilities.

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.

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	2022-23				2021-22			
	Formulations	APIs and Intermediates	Total	% to exports	Formulations	APIs and Intermediates	Total	% to exports
Europe	486.11	273.53	759.64	29%	436.49	232.76	669.25	27%
Africa	416.76	55.05	471.81	18%	409.85	62.00	471.85	19%
Americas	163.17	297.79	460.96	17%	162.80	340.48	503.28	20%
Asia	110.82	341.52	452.34	17%	98.91	357.52	456.43	18%
CIS	188.44	32.53	220.97	8%	134.07	25.72	159.79	6%
Australasia	273.89	3.81	277.70	11%	244.62	2.91	247.53	10%
Total	1639.19	1004.23	2643.42	100%	1486.74	1021.39	2508.13	100%

Formulation Exports – Therapeutic Contribution

Therapeutic Group	2022-23	2021-22
Cardiovasculars & Anti-diabetics	24%	25%
Pain Management	28%	24%
Anti-malarials	22%	24%
Anti-bacterials	6%	6%
Anthelmintics	8%	5%
Central Nervous System (CNS) products	5%	7%
Gastro Intestinal (G.I) products	5%	6%
Cough Preparations	1%	2%
Others	1%	1%
TOTAL	100%	100%

Europe

The Company achieved European export sales of ₹ 759.64 crores during the financial year under report as against sales of ₹ 669.25 crores in the previous year, a growth of 14%.

The Company has developed and submitted 98 generic formulation dossiers for registration in Europe out of which 89 dossiers are registered. The Company has also obtained certificate of suitability (COS) of 57 APIs from European Directorate for Quality Medicines (EDQM).

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

Africa

The Company achieved export sales of ₹ 471.81 crores to Africa during the financial year under report as against ₹ 471.85 crores in the previous year.

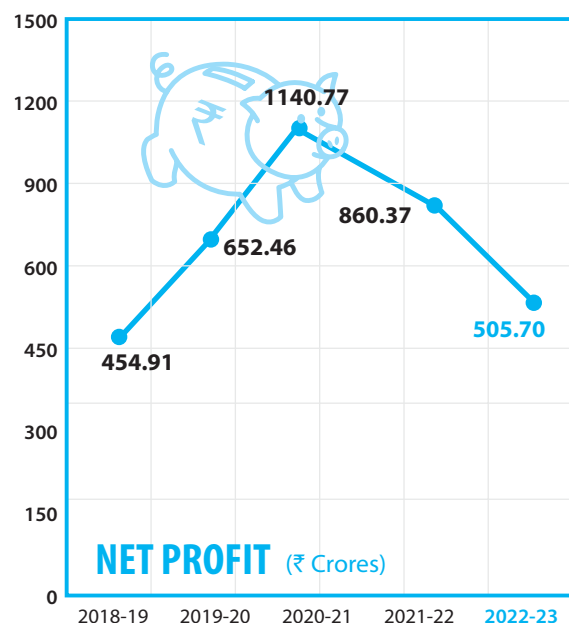
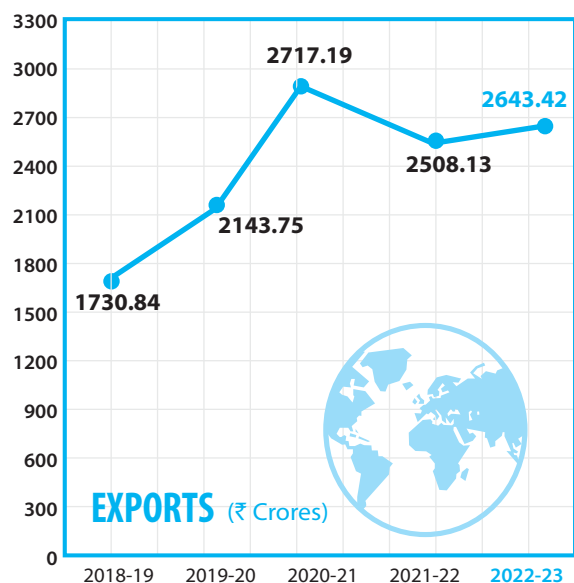
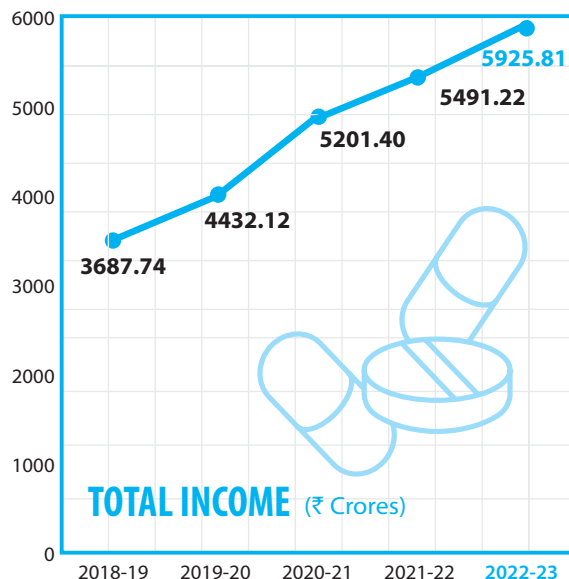
The Company exports branded and generic formulations as well as APIs to many African countries. The Company markets branded formulations in Africa through dedicated field force. The Company also supplies generics formulations to South Africa.

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 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 ₹ 460.96 crores in this continent as against ₹ 503.28 crores in the previous year, a decline of 8%. 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.

44 ANDA applications of generic formulations developed by the Company are filed with US FDA out of which 18 ANDA applications are granted till date. 55 DMFs of the Company are also currently filed with US FDA.



Asia

The Asian business (excluding India) recorded sales of ₹ 452.34 crores as against ₹ 456.43 crores in the previous year. 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 ₹ 220.97 crores as against ₹ 159.79 crores in the previous year, a growth of 38%. 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.

But for geo-political conflict in this region, the Company's export business in this sub-continent could have been even better.

Australasia

The Company exports APIs to Australia and formulations to Australia and New Zealand in this sub-continent. The business from this continent was ₹ 277.70 crores during the financial year under report as against ₹ 247.53 crores in the previous year, a growth of 12%.

The Company has developed and submitted 76 generic formulation dossiers for registration in this market out of which 73 dossiers are registered.

e. Domestic Formulations Business

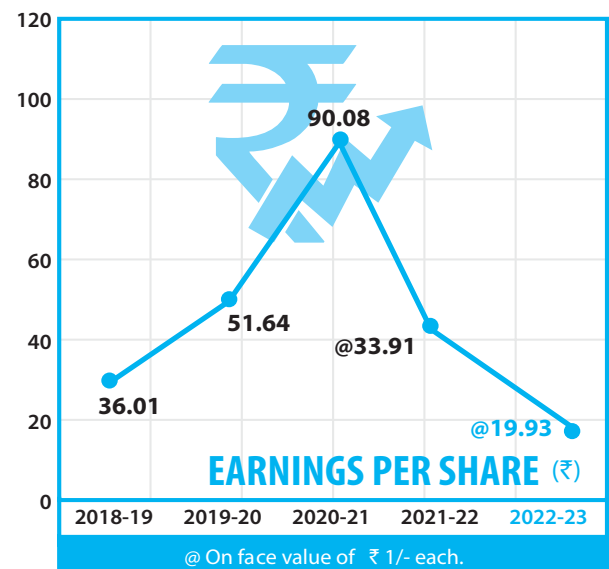
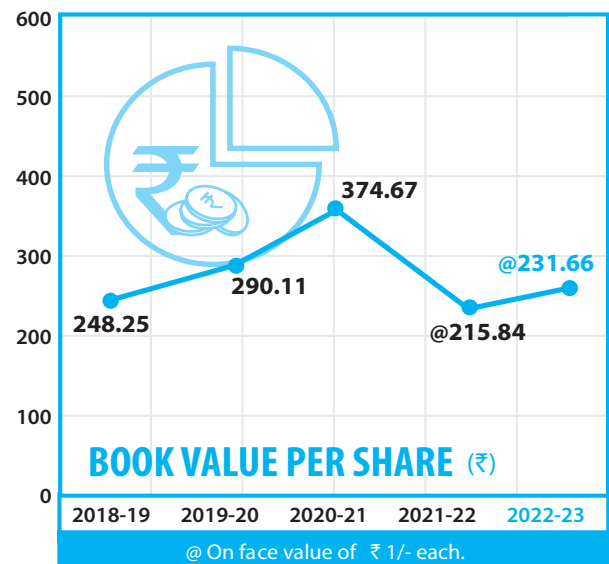
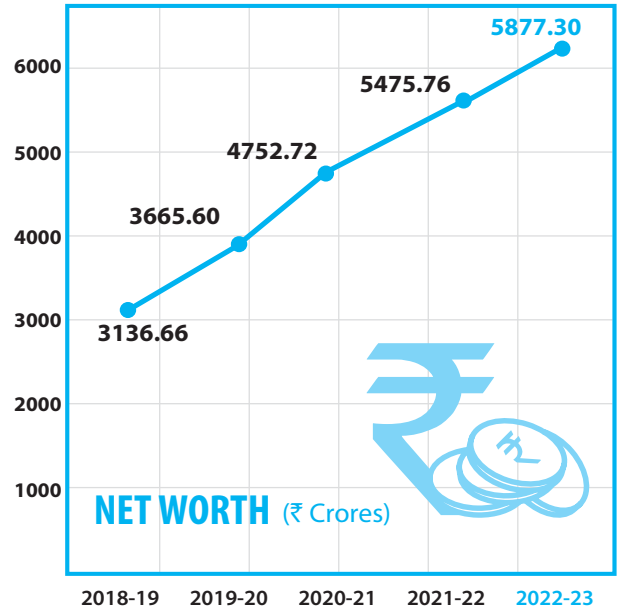
The Company's branded formulations business in India now comprises of 21 marketing divisions focusing on key therapeutic segments with a portfolio of about 161 brands. Your Company is now the 17th largest in the domestic formulations market as per IQVIA - MAT March, 2023.

In order to increase the coverage and facilitate launch of new therapy divisions/new products, the Company has added nearly 1500 medical representatives in the domestic market during the last 2 financial years.

During the financial year under report, the domestic formulations business recorded a growth of 10% at ₹ 2760.71 crores as against ₹ 2508.27 crores in the previous year.

Domestic Branded Formulations - Therapeutic Contribution

Therapeutic segment	2022-23	2021-22
	% to sales	% to sales
Pain Management	52%	49%
Cardiovasculars & Anti-diabetics	16%	17%
Anti-malarials	3%	5%
Anti-bacterials	6%	7%
Dermatology	6%	5%
Gastro Intestinal (G I) products	2%	3%
Cough Preparations	5%	5%
Neuro Psychiatry	3%	3%
Urology	4%	3%
Neutraceuticals	1%	1%
Others	2%	2%
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 ₹ 1377.28 crores as against ₹ 1380.09 crores in the previous financial year. Nearly 73% 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 continue to commercialize new APIs for the global market.

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

Your Directors are pleased to inform you that second plant out of the two manufacturing plants 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 also commenced trial production in the month of September, 2022.

With this, the Dewas APIs manufacturing unit is now fully functional.

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 16,167 permanent employees (including 813 overseas employees) as on 31st March, 2023. Out of this, 8,626 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 the financial statements in this report relate and the date of this report except the proposed acquisition of the substantial shares in Unichem Laboratories Ltd., a listed entity, as detailed hereinbelow.

SHARE CAPITAL

The paid-up share capital of the Company as at 31st March, 2023 was 25,37,04,218 equity shares of ₹ 1/- each aggregating to ₹ 25.37 crores.

EMPLOYEES STOCK OPTION SCHEME (ESOS)

The Company has now proposed a new scheme, Ipca Laboratories Ltd. - Employees Stock Option Scheme – 2023 (ESOS), which was approved by the Board of Directors at their meeting held on 29th May, 2023. The said ESOS scheme will be placed for approval before the shareholders at the ensuing Annual General Meeting. This ESOS is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

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

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

Trophic Wellness Pvt. Ltd.

During the financial year under report, the Company has acquired further 6.53% of the paid-up equity share capital of Trophic Wellness Private Ltd., a company engaged in the business of manufacturing and marketing several SKUs of Nutraceuticals under the brand name "Nutricharge". With this acquisition, the Company now holds 58.88% of the paid-up equity share capital of the said company.

Lyka Labs Ltd.

During the financial year under report, the Company has acquired, thru preferential allotment, further 4.78% of the paid-up equity share capital of Lyka Labs Ltd, a listed company, engaged in the business of manufacturing and marketing of injectables, lyophilized injectables and topical formulations. Also, in the month of April, 2023, the Company acquired another 4.98% of the paid-up share capital of the said company thru part conversion of warrants issued on preferential basis. With these share allotments, the Company now holds 36.34% of the paid-up equity share capital of Lyka Labs Ltd.

Unichem Laboratories Ltd.

The Company entered into a definitive Share Purchase Agreement (SPA) on 24th April, 2023 for acquisition of 2,35,01,440 fully paid-up equity shares of ₹ 2/- each, constituting about 33.38% of the paid up equity share capital of Unichem Laboratories Ltd., a listed entity, from one of its promoter shareholder at a price @ ₹ 440/- per equity share aggregating to ₹ 1034.06 Crores. This proposed acquisition is subject to, inter-alia, approval of the Competition Commission of India (CCI) under the Competition Act, 2002. The Company has already made an application to CCI seeking its approval for this transaction.

Since this proposed acquisition of the shareholding in Unichem Laboratories Ltd. is more than the threshold limit under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Company has also made an open offer to the public shareholders of Unichem Laboratories Ltd. to acquire from them upto another 26% of the paid up equity share capital of the said company at a price @ ₹ 440/- per share aggregating to ₹805.44 crores.

These acquisitions will be funded out of the Company's retained earnings.

Merger of Ramdev Chemical Pvt. Ltd. and Tonira Exports Ltd., wholly owned subsidiaries with the Company

The Hon'able National Company Law Tribunal, Mumbai Bench vide its order dated 27th April, 2023 has approved the merger of M/s. Ramdev Chemical Pvt. Ltd. and M/s. Tonira Exports Ltd., Company's wholly owned subsidiaries with the Company with effect from 1st April, 2022.

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 ₹ 156.49 crores (2.71% of the turnover) as against ₹ 141.46 crores (2.65% 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 2022 an interim dividend of ₹ 4/- per share (400%) on the face value of ₹ 1/- each, for the financial year under report. It is not proposed to declare any further dividend for the financial year ended 31st March, 2023. 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. Prashant Godha and Mr. Premchand Godha retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

Mr. Anand T. Kusre was re-appointed as Independent Director 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.

During the year under report, Dr. Narendra Mairpady (DIN 00536905) was appointed as an Independent Director of the Company with effect from 20th October, 2022. The shareholders have since approved his appointment as an Independent Director for a period of 5 years from 20th October, 2022 through postal ballot.

Mr. Anand Kusre, Dr. (Mrs.) Manisha Premnath, Mr. Kamal Kishore Seth and Dr. Narendra Mairpady, 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.

At the meeting of the Board of Directors of the Company held on 14th February, 2023 and as recommended by the Nomination and Remuneration Committee :

- i. Mr. Premchand Godha was re-appointed as the Whole-time Director designated as the Executive Chairman of the Company for a further period of 5 years commencing 1st April, 2023.
- ii. Mr. Ajit Kumar Jain was re-designated/appointed as the Managing Director of the Company with effect from 1st April, 2023 for the remainder period of his current tenure of appointment till 20th August, 2024.
- iii. Mr. Pranay Godha was re-designated/appointed as the Managing Director and CEO of the Company with effect from 1st April, 2023 for the remainder period of his current tenure of appointment till 10th November, 2023.

The necessary shareholders approval for these changes were obtained by the Company thru special/ordinary resolutions thru postal ballot.

At the meeting of the Board of Directors of the Company held on 29th May, 2023 and as recommended by the Nomination and Remuneration Committee, Mr. Pranay Godha is re-appointed as the Managing Director of the Company for a further period of 5 years with effect from 11th November, 2023. This re-appointment is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year under report:

Mr. M. R. Chandurkar, Promoter of the Company who was also the Director/Managing Director of the Company for nearly four decades from 1975 expired on 20th June, 2022. The Company has immensely benefited from the services rendered by him during his tenure as a Director/Managing Director of the Company.

Mr. Dev Parkash Yadava, an Independent Director of the Company expired on 2nd August, 2022. Mr. Yadava was the Independent Director of the Company since April 2012. The Company has immensely benefited from his knowledge of pharma industry and guidance / advice given by him during his tenure as an Independent Director all these years.

The Board places on record its sincere appreciation for the services rendered by them during their tenure as Directors of the Company.

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 (Executive Chairman from 1 st April, 2023)
Mr. Ajit Kumar Jain	-	Joint Managing Director / CFO (Managing Director / CFO from 1 st April, 2023)
Mr. Pranay Godha	-	Executive Director (Managing Director/CEO from 1 st April, 2023)
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, 2023 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. Natvarlal Vepari & Co., Chartered Accountants, Firm Registration No. 106971W were appointed as the Statutory Auditors (in place of M/s. G.M. Kapadia & Co., whose term of appointment has come to an end on the conclusion of the 72nd AGM) to carry out statutory audit activities of the Company for a period of 5 (five) years from the conclusion of the 72nd AGM of the Company and till conclusion of 77th AGM of the Company.

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.

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 2022-23.

The Cost Audit Report for the financial year 2021-22, which was due to be filed with the Ministry of Corporate Affairs by 8th September, 2022 was filed on 2nd September, 2022.

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 2022-23.

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 (<https://www.ipca.com/wp-content/pdf/corporate-policy/2023/corporate-social-responsibility-policy.pdf>).

During the year under report, the Company 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 (https://www.ipca.com/wp-content/pdf/corporate-policy/Policy_on_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.

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 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.

CONSTITUTION OF COMMITTEE UNDER SEXUAL HARASSMENT 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-annual-return/>).

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report of the Company for the financial year ended 31st March, 2023 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.

Mumbai, 29th May, 2023

For and on behalf of the Board
Premchand Godha
 Executive Chairman

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 apprised 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 Executive Chairman, one professional non-promoter Managing Director/CFO, one promoter Managing Director/CEO and one promoter Executive Director 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 (10.08.2022)	No. of Equity shares held in the Company*
		Held	Attended		
Mr. Premchand Godha (DIN 00012691)	Executive Chairman, Promoter Director	6	6	Yes	58,14,680
Mr. Ajit Kumar Jain (DIN 00012657)	Managing Director/ CFO, Professional, Non-Promoter Director	6	6	Yes	62,000
Mr. Pranay Godha (DIN 00016525)	Managing Director/CEO, Promoter Director	6	6	Yes	17,00,990
Mr. Prashant Godha (DIN 00012759)	Executive Director, Promoter Director	6	6	Yes	15,68,644
Mr. Anand T. Kusre (DIN 00818477)	Non-Executive, Independent Director	6	6	Yes	Nil
Dr. (Ms) Manisha Premnath (DIN 05280048)	Non-Executive, Independent Director	6	6	Yes	Nil
Mr. Kamal Kishore Seth (DIN 00194986)	Non-Executive, Independent Director	6	6	Yes	1,700
Dr. Narendra Mairpady (DIN 00536905) (Appointed w.e.f 20.10.2022)	Non-Executive, Independent Director	6	4	No	Nil
Mr. Dev Parkash Yadava (DIN 00778976) (Expired on 02.08.2022)	Non-Executive, Independent Director	6	1	No	-

* The above shareholding as at 31st March, 2023 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

At the meeting of the Board of Directors of the Company held on 14th February, 2023:

- Mr. Premchand Godha was appointed as the Whole-time Director designated as the Executive Chairman of the Company for a period of 5 years commencing 1st April, 2023.
- Mr. Ajit Kumar Jain was re-designated/appointed as the Managing Director of the Company with effect from 1st April, 2023 for the remainder period of his current tenure of appointment till 20th August, 2024.
- Mr. Pranay Godha was re-designated/appointed as the Managing Director and CEO of the Company with effect from 1st April, 2023 for the remainder period of his current tenure of appointment till 10th November, 2023.

The necessary special/ordinary resolutions in this regard was approved by the shareholders vide a postal ballot conducted by the Company.

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	5	Nil	Nil
Mr. Ajit Kumar Jain	1	Nil	Nil
Mr. Pranay Godha	4	Nil	Nil
Mr. Prashant Godha	9	Nil	Nil
Mr. Anand T. Kusre	1	Nil	Nil
Dr. (Ms.) Manisha Premnath	2	Nil	Nil
Mr. Kamal Kishore Seth	1	Nil	Nil
Dr. Narendra Mairpady (Appointed w.e.f 20.10.2022)	10	6	3
Mr. Dev Parkash Yadava (Expired on 02.08.2022)	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 of only public limited companies are considered.

Mr. Prashant Godha is a Director on the Board of M/s. Makers Laboratories Ltd., M/s. Lyka Labs 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.

Dr. Narendra Mairpady is on Board of M/s. Kesar Enterprises Ltd., Adani Enterprises Ltd., Equippp Social Impact Technologies Ltd., Man Industries (India) Ltd., listed companies. He is member of the Risk Management Committee of the Board of Directors of Adani Enterprises Ltd. He is member of Audit Committee and Nomination & Remuneration Committees of the Board of Directors of Kesar Enterprises Ltd. He is member of Audit Committee (Chairman), Nomination & Remuneration Committee and Stakeholders Relationship Committee (Chairman) of the Board of Directors of Equip Social Impact Technologies Ltd. He is a member of the Audit Committee of the Board of Directors of Fibre Foils Ltd. He is member of the Audit Committee (Chairman) and Nomination & Remuneration Committee of the Board of Directors of Mahindra First Choice Wheels Ltd. He is a member of the Audit Committee and Risk Management Committee of the Board of Directors of Mahindra Rural Housing Finance Ltd.

He has resigned / retired as the Director of following listed entities in the past three years :

1. Suumaya Industries Ltd.	2. Sequent Scientific Ltd.
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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 2022-23 and dates on which held

6 (Six) board meetings were held during the financial year 2022-23. The dates on which the said meetings were held are as follows:

24 th May, 2022	10 th August, 2022
20 th October, 2022	11 th November, 2022
25 th January, 2023	14 th February, 2023

The last Annual General Meeting of the Company was held on 10th August, 2022.

e) Disclosure of relationships between directors inter-se

Mr. Premchand Godha, Executive Chairman, Mr. Pranay Godha, Managing Director and Mr. Prashant Godha, Executive Director 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 <https://www.ipca.com/wp-content/pdf/familiarisation-programmes-imparted-to-independent-directors-2022-23.pdf>.

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 that are 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 Dr. (Ms.) Manisha Premnath
Manufacturing & Marketing	Mr. Premchand Godha Mr. A. K. Jain Mr. Pranay Godha Mr. Prashant Godha Dr. (Ms.) Manisha Premnath
Commercial	Mr. Premchand Godha Mr. A. K. Jain Mr. Kamal Kishore Seth Dr. Narendra Mairpady

Skills / Expertise / Competence of the Board of Directors that are required in the context of business of the Company	Names of the Directors who have such skills / expertise / competence
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 Dr. Narendra Mairpady
Legal And General Management	Mr. Premchand Godha Mr. A. K. Jain Mr. Pranay Godha Mr. Prashant Godha Mr. Kamal Kishore Seth Dr. Narendra Mairpady

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. Kamal Kishore Seth and Dr. Narendra Mairpady, 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 associated as a Professor at IIT, Bombay's Shailesh J. Mehta school of Management. He was also the founder Professor of Desai Sethi School of Entrepreneurship which supports aspiring entrepreneurs through courses and structured mentoring programs at IIT.

Mr. Ajit Kumar Jain, Managing Director in-charge of Finance/CFO and Mr. Pranay Godha, Managing Director/CEO 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 2022-23

There were 4 (Four) meetings of the Audit Committee during the Financial Year 2022-23. The gap between two meetings did not exceed 120 days. The dates on which the said meetings were held are as follows:

24 th May, 2022	10 th August, 2022
11 th November, 2022	14 th February, 2023

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	4	4
Mr. Kamal Kishore Seth	4	4
Mr. Prashant Godha	4	4
Dr. Narendra Mairpady (Appointed w.e.f 20.10.2022)	4	2
Mr. Dev Parkash Yadava (Expired on 02.08.2022)	4	1

The previous annual general meeting of the Company was held on 10th August, 2022 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;
- vii. administer and superintend the Company's Employees Stock Option Scheme (ESOS); and
- viii. recommend to the board remuneration payable to senior managerial personnel of the Company.

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. Kamal Kishore Seth, Dr. (Ms.) Manisha Premnath and Dr. Narendra Mairpady, 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/Evaluation_of_Directors.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-2022-23.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 2022-23

There were 4 (Four) meetings of this Committee during the Financial Year 2022-23. The dates on which the said meetings were held are as follows:

24 th May, 2022	10 th August, 2022
20 th October, 2022	14 th February, 2023

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	4	4
Mr. Kamal Kishore Seth	4	4
Dr. (Ms.) Manisha Premnath	4	4
Dr. Narendra Mairpady (Appointed w.e.f 20.10.2022)	4	1
Mr. Dev Parkash Yadava (Expired on 02.08.2022)	4	1

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-imbusement 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 2022-23 are as under:

Name of the Director	Sitting fees paid (₹)	Commission paid (₹)
Mr. Anand T. Kusre	10,50,000	Nil
Dr. (Mrs.) Manisha Premnath	9,50,000	Nil
Mr. Kamal Kishore Seth	14,00,000	Nil
Dr. Narendra Mairpady (Appointed w.e.f 20.10.2022)	6,00,000	Nil
Mr. Dev Parkash Yadava (Expired on 02.08.2022)	2,50,000	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 2022-23

- i. The details of the remuneration paid/payable to Managing Director, Joint Managing Director and Executive Directors for the Financial Year 2022-23 are given below:

(₹)

Name of Directors	Salary*	Benefits / Perquisites / Pension etc.*	Commission (performance linked)	Stock Options	Total
Mr. Premchand Godha (Chairman & Managing Director)	3,87,00,000	1,59,02,160	5,80,50,000	Nil	11,26,52,160
Mr. Ajit Kumar Jain (Jt Managing Director)	2,16,00,000	2,35,40,552	3,24,00,000	Nil	7,75,40,552
Mr. Pranay Godha (Executive Director)	1,32,00,000	1,13,76,382	2,64,00,000	Nil	5,09,76,382
Mr. Prashant Godha (Executive Director)	1,20,00,000	1,00,00,532	2,40,00,000	Nil	4,60,00,532

* Fixed Component

Designations mentioned in the table above are for the financial year 2022-23.

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 Directors 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, Executive Chairman and Mr. Ajit Kumar Jain, 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 2022-23

There were 2 (two) meetings of this committee during the financial year 2022-23. The dates on which the said meetings were held is as follows:

24 th May, 2022	10 th August, 2022
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The attendance of each member of the Stakeholders Relationship Committee in the committee meeting is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Kamal Kishore Seth	2	2
Dr. (Ms.) Manisha Premnath	2	2
Mr. Premchand Godha	2	2
Mr. Ajit Kumar Jain	2	2

Mr. Kamal Kishore Seth, the Chairman of the Committee attended the last Annual General Meeting of the Company held on 10th August, 2022.

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 7 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 Meeting (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
31-3-2022	Wednesday, 10 th August,2022 at 3.30 p.m. (AGM)	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	• None
EGM	Thursday, 16 th 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, 2 nd September, 2021 at 3.30 p.m. (AGM)	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	• None
31-3-2020	Thursday, 17 th September, 2020 at 3.30 p.m. (AGM)	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	• None

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

During the year under report, special resolution for the appointment of Dr. Narendra Mairpady (DIN 00536905) as an Independent Director of the Company for a period of 5 (five) years w.e.f. 20th October, 2022 was passed by postal ballot on 4th December, 2022.

The details of votes cast for and against each of the special resolution passed in the postal ballot is given below:

Special Resolution passed for the appointment of	FOR		AGAINST	
	No. of Votes	% of Votes	No. of Votes	% of Votes
Dr. Narendra Mairpady	21,81,80,702	99.29	15,55,534	0.71

During the year under report, special resolution for the appointment of and payment of remuneration to Mr. Premchand Godha (DIN 00012691) as the Whole-time Director designated as Executive Chairman of the Company for a period of 5 years commencing 1st April, 2023 was passed by postal ballot on 30th March, 2023.

The details of votes cast for and against each of the special resolution passed in the postal ballot is given below:

Special Resolution passed for the appointment of	FOR		AGAINST	
	No. of Votes	% of Votes	No. of Votes	% of Votes
Mr. Premchand Godha	20,42,46,809	92.69	1,60,99,811	7.31

d) Person who conducted the postal ballot exercise

Mr. P. N. Parikh failing him Ms. Jigyasa N. Ved failing them Mr. Mitesh Dhabliwala of M/s. Parikh & Associates, Practising Company Secretaries, were appointed as scrutinizer to conduct the said Postal Ballot process in a fair and transparent manner

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

Both the aforesaid Postal Ballots were conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circulars issued by the Ministry of Corporate Affairs from time to time.

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	:	Thursday, 10 th August, 2023 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 and Annual results	:	1 st April –31 st 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 ₹ 4/- per share on the equity share capital for the financial year 2022-23. The said interim dividend was paid in the month of December, 2022. It is not proposed to declare any further dividend for the financial year ended 31 st March, 2023.
Date of Book closure	:	Not Applicable
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)	:	<ul style="list-style-type: none"> • 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 <p>Listing fees have been paid to both the stock exchanges for the financial year 2023-24 in April 2023.</p>
e) Stock code – Physical and ISIN Number for NSDL and CDSL	:	524494 on BSE; IPCALAB on NSE INE 571A01038
Corporate Identity Number allotted by Ministry of Corporate Affairs	:	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. 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 31.3.2023	:	Please see Annexure 'C'
l) Dematerialisation of shares and liquidity	:	99.58% of the paid-up share capital has been dematerialised as on 31 st March, 2023.
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.

<p>n) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities</p>	<p>: The Company is not materially exposed to commodity price risk. The Company also does not carry out any commodity hedging activities.</p> <ol style="list-style-type: none"> 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. <p>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.</p>
<p>o) Plant Locations</p>	<p>: 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. Dandudyog Industrial Estate, Silvassa (D&NH). 12. Aurangabad, Maharashtra (Unit I & Unit II). 13. Mahad, Maharashtra. 14. Tarapur, District Palghar, Maharashtra (Unit I & Unit II). 15. Dehradun, Uttarakhand. 16. Gom Block, Bharikhola, South Sikkim (Unit I & Unit II).</p>
<p>p) Address for Correspondence</p>	<p>: 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</p>
<p>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</p>	<p>India Ratings & Research (A Fitch Group Company) has reviewed and assigned the following ratings to Company's working capital limit, long term loan and commercial paper :</p> <ul style="list-style-type: none"> • Fund / Non-Fund based working capital limit (₹ 17500 Millions) - IND AA+ / Stable / IND A1+ • Long Term Loan (₹ 4000 Millions) - IND AA+ / Stable / IND A1+ • Commercial Paper (₹ 500 Millions) - IND A1+
<p>r) Share transfer and other communications may be addressed to the Registrars</p>	<p>: 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</p>

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_Subsiidiaries.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)

No funds were raised through preferential allotment or qualified institutional placement during the financial year under report.

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 except audit fees. 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 2022	:	2
Number of complaints disposed of during the calendar year	:	2
Number of complaints pending as at end of the calendar year	:	Nil

- m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.**

The Company and its subsidiaries have not given any loans or advances in the nature of loan to firms/companies in which directors are interested in contravention of any provisions of Companies Act, 2013.

All loans and advances given are in ordinary course of Company's business and are in compliance with the provisions of Companies Act, 2013.

Details of loans and advances given to related parties are disclosed in the notes to the financial statements.

- n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.**

The Company does not have any material subsidiary

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 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 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, Managing Director/CFO, Mr. Pranay Godha, Managing Director, CEO, 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 all the matters listed under Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations such as 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 4 (four) meetings of this committee during the financial year 2022-23. The dates on which the said meetings were held is as follows:

24 th May, 2022	10 th August, 2022
11 th November, 2022	14 th February, 2023

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	4	4
Mr. Ajit Kumar Jain	4	4
Mr. Pranay Godha	4	4
Mr. Prashant Godha	4	4
Mr. Manish Jain (Sr. Vice President – Business Development)	4	3

- 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 (Out of this, 2 wholly owned subsidiaries are merged with the Company pursuant to an order passed by the Hon'able National Company Law Tribunal, Mumbai Bench). 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 as Independent Director 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 shareholders have also approved the appointment of Dr. Narendra Mairpady as an Independent Director for a term of five consecutive years from 20th October, 2022 through Postal Ballot on 4th December, 2022.

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 14th April, 2023.

n) Independent Directors Meeting

During the year under review, the Independent Directors met on 14th February, 2023, 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 :

Directors retiring by rotation and being re-appointed

(i) Mr. Prashant Godha (DIN 00012759)

Mr. Prashant Godha, aged 49 years is a graduate in Commerce and has done Post Graduate Diploma in Business Management and has experience of over 20 years in pharmaceuticals marketing and general management.

He was appointed as an Additional Director on the Board of the Company with effect from 28th July, 2011 and was appointed as the Executive Director of the Company with effect from 16th August, 2011.

He holds 15,68,644 equity shares (0.62%) of the Company.

He is also a Director of the following companies:

1	Lyka Labs Limited	2	Makers Laboratories Ltd.
3	Resonance Specialties Ltd.	4	Capri Coating Solutions Pvt. Ltd.
5	Mexin Medicaments Pvt. Ltd.	6	Paschim Chemicals Pvt. Ltd.
7	Kaygee Laboratories Pvt. Ltd.	8.	Kaygee Investments Pvt. Ltd.
9	Ipca Foundation		

He is the member of the Audit Committee, CSR Committee and Risk Management Committee of the Board of Directors of the Company. He is a member of Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board of Directors of M/s. Resonance Specialties Ltd.

Mr. Prashant Godha is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are 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, Executive Chairman, Mr. Pranay Godha, Managing Director and Mr. Prashant Godha, Executive Director are related to each other. He is not related to any other Director or Key Managerial Personnel (KMP) of the Company.

During the financial year 2022-23 he has attended all the 6 (six) board meetings held by the Company.

He has not retired/resigned as a Director of any listed company in the past 3 years.

(ii) Mr. Premchand Godha (DIN 00012691)

Mr. Premchand Godha aged 76 years is a qualified Chartered Accountant and a Commerce graduate. He is also a first generation entrepreneur. He is also a Promoter of the Company. He has over 47 years of experience in the pharmaceutical industry. He acquired the Company along with others in the year 1975 and has been managing the day to day business affairs of the Company since then.

He is the Director/Managing Director of the Company since 31st October, 1975 and has been the Chairman of the Board of Directors of the Company since January 2012. He is also a member of the Company's Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Board.

He holds 58,14,680 equity shares (2.29%) of the Company.

He is also a Director of the following companies:

1	Mexin Medicaments Private Ltd.	2	Kaygee Laboratories Private Ltd.
3	Kaygee Investments Private Ltd	4	Ipca Foundation
5	Jain International Trade Organisation		

He is member of Stakeholders Relationship Committee and CSR Committee of the Company.

Mr. Premchand Godha is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

Details of number of board meetings held and attended by him during his tenure as the Director of the Company are given in the Corporate Governance Report of the respective financial years annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

During the financial year 2022-23 he has attended all the 6 (six) board meetings held by the Company.

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

He has not retired/resigned as a Director of any listed company in the past 3 years.

Being re-appointed as the Managing Director

(i) Mr. Pranay Godha (DIN 00016525)

Mr. Pranay Godha, aged 51 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 was re-designated as the Managing Director/CEO of the Company w.e.f. 1st April, 2023 for the remainder period of his current tenure of appointment.

He holds 17,00,990 equity shares (0.67%) of the Company.

He holds Directorship in the following companies:

1. Kaygee Laboratories Pvt. Ltd.	2. Mexin Medicaments Pvt. Ltd.
3. Kaygee Investments Pvt. Ltd.	4. Paschim Chemicals Pvt. Ltd.

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

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

Mr. Pranay Godha is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

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

During the financial year 2022-23 he has attended all the 6 (six) board meetings held by the Company.

He has not retired/resigned as a Director of any listed company in the past 3 years.

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. Kamal Kishore Seth, Independent Director and Chairman of the Committee, Mr. Premchand Godha, Executive Chairman, Mr. Ajit Kumar Jain, 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 2 (Two) meetings of this committee during the financial year 2022-23. The dates on which the said meetings were held are as follows:

24 th May, 2022	10 th August, 2022
----------------------------	-------------------------------

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. Kamal Kishore Seth (Appointed w.e.f 10.08.2022)	2	1
Mr. Premchand Godha	2	2
Mr. Ajit Kumar Jain	2	2
Mr. Prashant Godha	2	2
Mr. Dev Parkash Yadava (Expired on 02.08.2022)	2	1

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

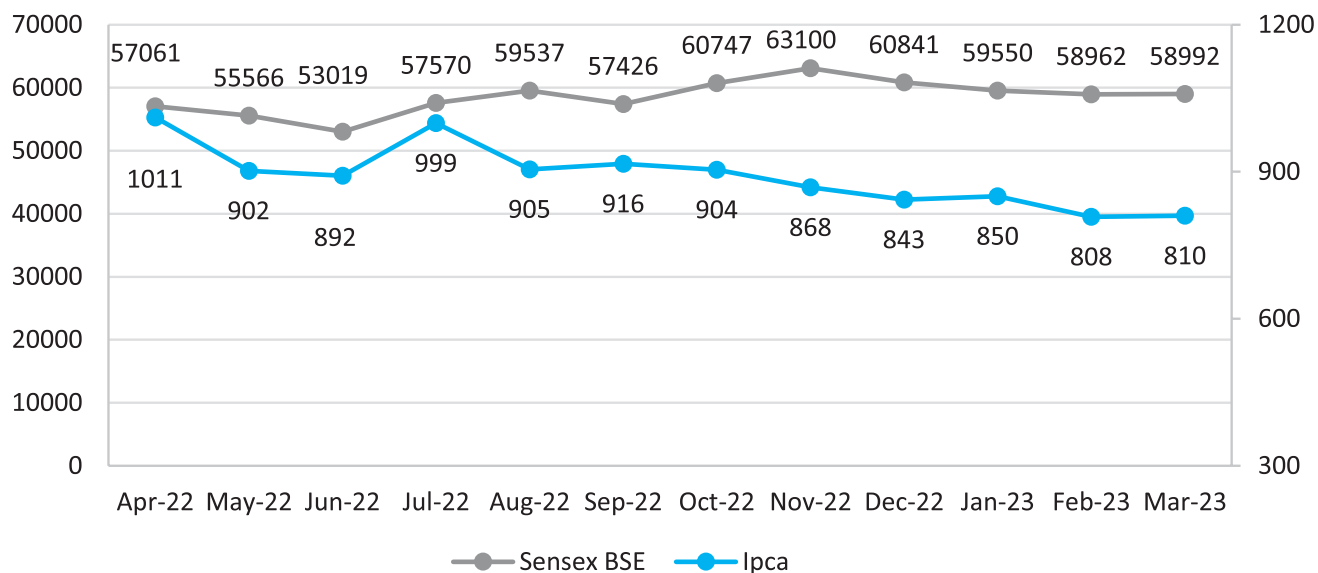
High/low of market price of the Company's shares traded on BSE Ltd (BSE) and National Stock Exchange of India Ltd. (NSE) during the financial year 2022-23 is furnished below:

Year	Month	Highest (₹)		Lowest (₹)		
		BSE	NSE	BSE	NSE	
2022	April	1,061.85	1,065.00	982.05	981.00	
	May	1,035.30	1,037.45	884.65	884.30	
	June	916.80	918.00	831.40	831.05	
	July	1,024.10	1,024.50	892.00	890.25	
	August	1,033.50	1,034.30	885.05	894.40	
	September	917.00	917.70	852.90	852.75	
	October	944.95	945.00	880.05	881.00	
	November	950.00	951.30	836.50	835.30	
	December	905.00	904.35	840.05	840.05	
	2023	January	883.75	883.65	830.00	830.00
		February	889.00	889.95	800.00	800.00
		March	816.95	817.00	768.00	767.50

ANNEXURE B

Graph of share price/ BSE Sensex

COMPARATIVE PRICE MOVEMENT IN 2022-23



ANNEXURE C

The distribution of shareholding as on 31st March, 2023 is as follows :

No. of equity shares held			No. of shareholders	%	No. of shares	%
Upto		500	105971	93.77	5816962	2.30
501	to	1000	2699	2.39	2135739	0.84
1001	to	2000	3043	2.69	5416257	2.13
2001	to	3000	324	0.29	827542	0.33
3001	to	4000	228	0.20	862633	0.34
4001	to	5000	90	0.08	413941	0.16
5001	to	10000	229	0.20	1684865	0.66
10001	and	above	431	0.38	236546279	93.24
Grand Total			113015	100.00	253704218	100.00
No. of shareholders in Physical Mode			1400	1.24	1065854	0.42
No. of shareholders in Electronic Mode			111615	98.76	252638364	99.58

Shareholding pattern as on 31st March, 2023 is as follows :

Categories of shareholders	No. of shareholders	No. of shares	% holding
Indian Promoters	17	117432472	46.29
Banks and Insurance Companies	13	9151041	3.61
Mutual Funds / Foreign Mutual Funds	38	76440020	30.13
FII/ Foreign Portfolio Investors	195	26854193	10.58
NRIs	3295	1352158	0.53
Domestic Companies / Other Bodies Corporates	983	1122188	0.44
Resident Individuals/Others	108474	21352146	8.42
Total	113015	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, 2023.

For Ipca Laboratories Limited

Mumbai
29th May, 2023

Pranay Godha
Managing Director / CEO

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, 2023 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; and
 - 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.

Mumbai
29th May, 2023

Pranay Godha
Managing Director / CEO

A.K. Jain
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, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) 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, 2023.

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: F006488E000405414
PR No. 1129/2021

Mumbai, 29.05.2023

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 – 62584 No of shareholders - 82
b)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	6
c)	Number of shareholders to whom shares were transferred from suspense account during the year	6
d)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	No of shares – 43008 No of shareholders - 57
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.

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. Kamal Kishore Seth (appointed on 10.08.2022)	Independent Director and Chairman of the Committee	2	1
2.	Mr. Premchand Godha	Chairman & Managing Director	2	2
3.	Mr. Ajit Kumar Jain	Joint Managing Director	2	2
4.	Mr. Prashant Godha	Executive Director	2	2
5.	Mr. Dev Parkash Yadava (expired 02.08.2022)	Independent Director and Chairman of the Committee	2	1

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/2023/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):

In the financial year 2021-22, the Company had contributed an amount of ₹ 2.10 crores to Isha Outreach, a part of Isha Foundation as a part of Company's CSR spent towards Isha Outreach's Cauvery Calling movement focusing on planting about 2.4 billion trees along the Cauvery river basin over a period of 12 years, by means of tree-based agriculture approach for revitalizing the river. This CSR contribution of ₹ 2.10 crores made by the Company was used by Isha Outreach to distribute and ensure that about 5 lacs saplings are planted in the farmland belonging to the farmers along the Cauvery river basin in 29 districts of Tamil Nadu.

During the financial year under report, the Company carried out an impact assessment study of this Company's CSR spent.

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.	N.A.	Nil	Nil

6. Average net profit of the company as per Section 135(5): ₹ 1093.94 Crores

- Two percent of average net profit of the company as per section 135(5): ₹ 21.88 crores
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years : None
- Amount required to be set off for the financial year, if any: None
- Total CSR obligation for the financial year (7a+7b-7c): ₹ 21.88 crores

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

Total Amount Spent for the Financial Year (in ₹ Crores)	Amount Unspent (in ₹ Crores)				
	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 (in ₹ Crores)	Date of transfer	Name of Fund	Amount	Date of transfer
19.43	2.45	26/04/2023	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.	Local area (Yes / No) Location of the project		Project duration	Amount allocated for the project (in ₹ Crores)	Amount spent in the current financial year (in ₹ Crores)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹ Crores)	Mode of implementation -Direct (Yes/ No).	Mode of implementation Through implementing Agency	
			State	District						Name	CSR Registration No.
1	Womens Education Initiative	Promotion of Education	Maharashtra		30 Months	5.00	2.00	2.00	Through Trust	The Jain Education Society	CSR00005651
2	Development of free Study material for Competitive Exams.	Promotion of Education	Pan India		18 Months	0.45	Nil	0.45	Through Trust	Mission Gyan, Jaipur (Through Ipca Foundation)	CSR00012321

(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		4.43	Directly by Company	-	-
2	Replacing traditional stoves with clean stoves in tribal/rural areas	Healthcare/Environment and Rural development	Assam		3.87	Thru Trust	SEWA	CSR00014974
3	Promotion of Healthcare, Education, Sports and Armed Forces Veterans	Healthcare, Education and Sports	All India		0.25	Thru Trust	Prabhat Foundation	CSR00008482
4	Skill development	Skill Development	Maharashtra		0.20	Thru Trust	BVP Malad Charity Trust	CSR00007682
5	Education to intellectually deficient children	Education	Maharashtra		0.10	Thru Trust	Punarvas Education Society	CSR00002954
6	Eradication of poverty	Eradication of poverty	Maharashtra		0.25	Thru Trust	Hiralal Parekh Parivar	CSR00000249

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
7	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, Rajasthan, Telangana, Chandigarh, Dadra & Nagar Haveli and Gujarat		8.04	Thru Trust	Ipca Foundation	CSR00012321
Total					17.14			

- (d) Amount spent in Administrative Overheads: ₹ 0.29 Crores
- (e) Amount spent on Impact Assessment, if applicable: None
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹19.43 crores
- (g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in ₹ Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	21.88
(ii)	Total amount spent for the Financial Year	19.43
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount transferred to unspent CSR account	2.45
(vi)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil
(vii)	Amount carried forward for set-off in succeeding financial years	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ 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 ₹ crore)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1	2021-22	1.82	1.82	N/A	N/A	N/A	N/A
2	2020-21	Nil	Nil	N/A	N/A	N/A	N/A
3	2019-20	0.06	0.06	N/A	N/A	N/A	N/A
TOTAL		1.88	1.88	-	-	-	-

(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 ₹ Crores).	Amount spent on the project in the reporting Financial Year (in ₹ Crores).	Cumulative amount spent at the end of reporting Financial Year. (in ₹ Crores)	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	1.82	2.34	Completed.

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 : Not Applicable.

For and on behalf of the Board

Mumbai, 29th May, 2023

Premchand Godha
Executive Chairman

Kamal Kishore Seth
(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
Executive Chairman

Mumbai, 29th May, 2023

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 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 is as under:

Sr. No.	Name of the Director / Key Managerial Person (KMP) and Designation	Remuneration of Director / KMP for the financial year 2022-23 (₹) (including commission provided for Wholtime Directors)	% increase/ (decrease) in remuneration in the financial year 2022-23	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Premchand Godha (Chairman & Managing Director/CEO)	11,26,52,160	6.46%	310.66
2.	Mr. A. K. Jain (Joint Managing Director/CFO)	7,75,40,552	9.64%	213.83
3.	Mr. Pranay Godha (Executive Director)	5,09,76,382	10.07%	140.58
4.	Mr. Prashant Godha (Executive Director)	4,60,00,532	22.43%	126.85
5.	Mr. A. T. Kusre (Independent Director)	10,50,000	(12.5%)	2.90
6.	Dr. Manisha Premnath (Independent Director)	9,50,000	(9.52%)	2.62
7.	Mr. Kamal Kishore Seth (Independent Director)	14,00,000	(6.67%)	3.86
8.	Dr. Narendra Mairpady (Independent Director) (Appointed w.e.f. 20.10.2022)	6,00,000	-	1.65
9.	Mr. Dev Parkash Yadava (Independent Director) (Expired on 2.08 2022)	2,50,000	-	0.69
10.	Mr. Harish P. Kamath (Corporate Counsel & Company Secretary)	1,54,82,993	11.08%	42.70

- ii. The median remuneration of the employees of the Company during the financial year was ₹ 3,62,624/-.
- iii. In the financial year, there was an increase of 6.15% in the median remuneration of employees.
- iv. There were 16,167 permanent employees on the rolls of Company as on March 31, 2023.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2022-23 was 8.6% whereas there is an increase of 9.82% 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
Executive Chairman

Mumbai, 29th May, 2023

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:

- Shifting to piped natural gas in place of furnace oil.
- Shifting to biomass or briquette fuel in place of coal.
- Replace several old conventional luminaries by energy efficient LED lights.
- Replaced traditional A/C motors with energy efficient motors and also installed VFD at various equipments to increase energy efficiency and reduce emission.
- Implementation of Artic master in HVAC system to regulate flow of refrigerant to reduce power consumption.
- Maintaining unity power factor.
- Energy efficient pumps in cooling, chilling and brine applications.
- Replacement of reciprocating air compressors with energy efficient air compressors.
- Installation of new energy efficient water cooled chiller.
- Implementation of new technology to use RO rejects for cooling tower.

(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, 2023. During the financial year, these power plants have in total generated 128.55 lacs power units which were used for Company's various manufacturing / R&D facilities. Out of the above total capacity, 28 MW project is expected to start power generation from August 2023.

(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:

	2022-23 (₹ Crores)	2021-22 (₹ Crores)
a) Capital	25.72	23.54
b) Revenue	130.77	117.92
c) Total	156.49	141.46
d) R & D expenditure as a percentage of turnover	2.71%	2.65%

(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 ₹ 2643.42 crores as against ₹ 2508.13 crores in the previous year.

B) Outgo

The foreign exchange outgo of the Company during the year aggregated to ₹ 817.75 crores as against ₹ 897.47 crores in the previous year.

For and on behalf of the Board

Premchand Godha
Executive Chairman

Mumbai, 29th May, 2023

ANNEXURE 5

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR]

SECTION A - GENERAL DISCLOSURE

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24239MH1949PLC007837
2	Name of the Listed Entity	Ipca Laboratories Limited
3	Year of incorporation	1949
4	Registered office address	48, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067, Maharashtra, India
5	Corporate address	125, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067, Maharashtra, India
6	E-mail	investors@ipca.com
7	Telephone	91-22-62105000
8	Website	https://www.ipca.com/
9	Financial year for which reporting is being done	April 1, 2022 to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE, NSE
11	Paid-up Capital	₹ 25.37 crores
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ajit Kumar Jain (Managing Director) 022-6210 6020 ajit.jain@ipca.com
13	Reporting Boundary	Standalone

II Products and Services

14 Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacture of Pharmaceuticals	Development, Manufacturing and Marketing of Pharmaceuticals Products	100%

15 Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product	NIC Code	% of Turnover of the entity
1	Manufacture of Pharmaceuticals	21002	100%

III Operations

16 Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	18	5	23
International	2	5	7

17 Markets served by the entity

A Number of locations

Locations	Total
National (No. of States)	Pan-India
International (No. of Countries)	More than 100

B What is the contribution of exports as a percentage of the total turnover of the entity?

Over 44.61% of the company's total revenue (standalone) can be attributed to its earning from exports.

C A brief on types of customers

Our customers include wholesalers, distributors, pharmacy chains, hospitals, government institutions and other pharmaceutical companies.

IV Employees

18 Details as at the end of Financial Year:

A Employees and workers (including differently abled)

Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees					
Permanent	14,094	13,249	94.00	845	6.00
Other than permanent	658	565	85.87	93	14.13
Total Employees	14,752	13,814	93.64	938	6.36
Workers					
Permanent	1,260	1,260	100.00	-	-
Other than permanent	5,295	5,035	95.09	260	4.91
Total Workers	6,555	6,295	96.03	260	3.97

B Differently abled Employees and workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled Employees					
Permanent	14,094	-	-	845	-
Other than permanent	658	-	-	93	-
Total Employees	14,752	-	-	938	-
Differently abled Workers					
Permanent	1,260	-	-	-	-
Other than permanent	5,295	2	0.04	260	-
Total Workers	6,555	2	0.03	260	-

19 Participation/Inclusion/Representation of women

Particulars	Total (A)	Numbers of Female (B)	% of Female (B / A)
Board of Directors	8	1	12.50
Key Management Personnel	5	0	0

20 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particulars	FY 22-23			FY 21-22			FY 20-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.8%	21.0%	19.0%	20.4%	20.5%	20.4%	14.9%	15.7%	15.0%
Permanent Workers	2.1%	-	2.1%	2.7%	-	2.7%	3.3%	-	3.3%

V Holding, Subsidiary and Associate Companies (including joint ventures)**21 Names of holding / subsidiary / associate companies / joint ventures**

S r. No.	Name of the holding /subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Ipca Pharmaceuticals Inc. USA	Subsidiary	100%	No
2	Ipca Laboratories (U.K.) Ltd.	Subsidiary	100%	No
3	Ipca Pharma Nigeria Ltd.	Subsidiary	100%	No
4	Ipca Pharma (Australia) Pty.Ltd	Subsidiary	100%	No
5	Ipca Pharmaceuticals Ltd.,SA de CV	Subsidiary	100%	No
6	Onyx Scientific Ltd. U.K	Subsidiary	100%	No
7	Pisgah Laboratories Inc. USA	Subsidiary	100%	No
8	Bayshore Pharmaceuticals LLC. (Subsidiary of Ipca Pharmaceuticals Inc, USA)	Subsidiary	100%	No
9	Ipca Pharma (NZ) Pty. Ltd. (Subsidiary of Ipca Pharma (Australia) Pty.Ltd.)	Subsidiary	100%	No
10	Trophic Wellness Pvt. Ltd.	Subsidiary	58.88%	No
11	Avik Pharmaceutical Ltd.	Joint Venture	50%	No
12	Lyka Labs Ltd.	Joint Venture	31.36%	No
13	CCPL Software Private Ltd.	Associate	28.95%	No
14	Krebs Biochemicals & Industries Ltd.	Associate	49.65%	No

VI CSR Details**22 Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

A	Turnover (in ₹ crores)	5,925.81
B	Net worth (in ₹ crores)	5,877.30

VII Transparency and Disclosures Compliances**23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 22-23			FY 21-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes*	-	-		-	-	
Investors (other than shareholders)	Yes*	-	-		-	-	
Shareholders	Yes*	7	-		4	-	
Employees and workers	Yes*	-	-		-	-	
Customers	Yes*	-	-		-	-	
Value Chain Partners	Yes*	-	-		-	-	
Other	Yes*	-	-		-	-	

*Web-link for Grievance Redressal Policy Internal Stakeholders : <https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Grievance-Redressal-Internal-Policy.pdf>

*Web-link for Grievance Redressal Policy External Stakeholders: <https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Grievance-Redressal-External-Policy.pdf>

24 Overview of the entity's material responsible business conduct issues

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy and Emissions	Risk	Increasing demand for products will lead to the need for increased manufacturing capacity and a subsequent increase in emissions.	1) Procurement of power through renewable energy sources such as solar, wind. 2) Shifting to piped natural gas in place of furnace oil.	Negative- Increase in operating costs by investments in more environmentally friendly technology and techniques for reducing emissions.
		Opportunity	Procurement of renewable energy and implementation of energy efficiency initiative can help in cost savings in operations and offsetting emissions.	3) Shifting to biomass or briquette fuel in place of coal. 4) Implementation of energy efficiency initiatives in all our operations in india.	Positive - Investing in renewable energy and energy efficiency initiatives has the potential to yield favourable results and lower operating costs in the long run.
2	Water Management	Risk	Water being a scarce resource on the planet and essential component of all processes, poses a risk to the future operations	1) Implemented Zero Liquid Discharge (ZLD) mechanism at our manufacturing plants in India. 2) Installation of water recycling plants and using recycled water for utilities and gardening purpose. 3) Water efficiency mechanisms, rain water harvesting and reutilisation of water recovered from condensate recovery. 4) Raising awareness among our stakeholders about the importance of water conservation.	Neutral - No immediate financial impact is anticipated, and we are taking steps to ensure efficient water management in order to keep this issue from becoming unmanageable.
3	Waste Management	Risk	The waste generated from our facilities has to be disposed in the most appropriate manner	The waste generated from our facilities is segregated and disposed through pollution control board approved vendors and in compliance with regulations.	Negative - Non-compliance with the regulations could result in adverse financial consequences such as fines and penalties as well as reputation damage.
4	Sustainable Supply Chain	Opportunity	Sustainable supply chain management help us not only in reducing our total carbon footprint, but also helps in optimizing our end to-end operations.		Positive - A sustainable supply chain enhances our commitment to the environment and optimization in end-to-end operations can give significant saving in the long run.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Community Engagement	Opportunity	Our interaction with local communities in the areas of our operation is essential to ensure supply of materials, labor and sharing of regional resources. Also, being a community benefactor enhances the Company's reputation.		Positive - Through our various CSR initiatives in the field of healthcare, education, rural infrastructure development, environment conservation among others, build trust with local communities. Ensuring regular engagement will enable us to function smoothly and mitigate any grievances that may arise.
6	Diversity, Equity and Inclusion	Opportunity	It provides the Company an avenue to contribute to the betterment of the society as a whole and access to a larger pool of talent for its workforce.		Positive - Diversity, equity and inclusion workplaces earn deeper trust and more commitment from Company's workforce, which has many long-term benefits such as higher workforce retention rate, greater readiness to innovation and higher revenue growth.
7	Product quality and safety	Risk	Product quality and safety is most important for retaining customers. Any gap with respect to customer expectations impacts revenue.	We have stringent quality control and quality assurance processes which ensures that product manufactured by the Company meets quality standards set by itself and regulators.	Positive- Enhancing product quality and safety will lead to an increased customer base and earnings.
		Opportunity	Enhancing product quality and safety and meeting the customer expectations will get more customers and revenue.		
8	Human Rights	Risk	This aspect involves upholding the highest standards of human rights and respect for all stakeholders within our operations and in the business value chain.	Integrating a strong governance structure for human rights from the aspect of human rights Policy, grievance redressal mechanism and due diligence across the business operations extending to value chain partners.	Negative- Violation of any form of human rights can lead to reputation damage and/or financial repercussions.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Human Resource Development	Opportunity	Highly skilled workers and employees accomplish their tasks better, more efficiently, and with fewer risks of injuries.		Positive- A robust workforce with a high percentage of retention demonstrates the Company's efforts to provide a healthy work environment and a proactive strategy for workforce development and improved productivity of the company.
10	Research and Development	Opportunity	Investment in research and development will lead to building a robust product portfolio.		Positive- Investing in research and development helps in reducing production costs and adverse impacts on the environment.
11	Business Conduct and Ethics	Risk	Any transgression of the organization's ethical standards may result in the loss of goodwill of the business and may have financial and legal repercussions.	Mechanisms for rigorous monitoring and compliance are put in place to ensure that all business operations adhere to the Company's principles and rules.	Negative - A violation in any of the business activities can lead to severe reputation, financial, and legal risk for the organization.
12	Risk Management	Opportunity	Risk management is a structured and disciplined approach aligning strategy, processes, people, technology and knowledge for evaluating and managing uncertainties faced by business due to changes in local and global geopolitical, socioeconomic, regulatory or other events.		Positive - Risk management empowers business to proactively assess various risks, take timely actions / measures and balance them with business objectives for improved returns and to drive value.
13	Data Privacy and Digitization	Risk	As a part of the pharmaceutical industry, it is mandatory that data with respect to drugs and drugs products as well as customers remains confidential.	We have a dedicated IT team to assess security risks that may arise at any time.	Negative - In the case of any data breach, resulting in loss of critical business intelligence, reputation damages as well as fines, penalties, and payout of heavy compensation.
		Opportunity	Transitioning to digital tools has enabled us to enhance the efficiency and effectiveness of operational processes, increasing productivity across operations		Positive - Adopting digitization and automated solutions in our processes can result in increased productivity in operations, also saving time and effort deployed on repetitive tasks, which provides a competitive advantage to us in the market.

SECTION B - MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions			P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Policy and management processes											
1	A.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Note 1	Yes	Yes
	B.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	C.	Web Link of the Policies, if available	Note 2								
2		Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3		Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4		Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fair-trade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		ISO 14001	ISO 45001, OHSAS 18001					As per the CSR Rules prescribed under the Companies Act, 2013	ISO 9001
5		Specific commitments, goals and targets set by the entity with defined timelines, if any.	Note 3								
6		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has set targets in FY2022-23, hence the performance against set target will not be applicable for this reporting period.								
Governance, leadership and oversight											
7		Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>We are committed to reducing our environmental impact through the implementation of sustainable practices, including energy efficiency initiatives, waste reduction, responsible water use and sourcing renewable energy. We are also committed to minimizing our greenhouse gas emissions and have set goals to reduce our carbon footprint. We believe that sustainability is important part of our corporate responsibility and we continuously strive to improve.</p> <p>In addition, we are committed to social responsibility and believe in making a positive impact on the communities in which we operate. We work to ensure that our products are accessible to those in need, and we support local initiatives that promote health and education.</p> <p>We recognize the importance of our planet health and the well-being of our society. We are committed to operating in a way that reflects our values and contributes to a sustainable future for all.</p>								
8		Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Ajit Kumar Jain Managing Director								
9		Does the entity have a specified committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes.</p> <p>The ESG steering committee is responsible for decision making on sustainability related issues. It is chaired by the Managing Director of the Company and proposed to meet once a quarter to discuss progress and actions on ESG initiatives, targets and implementation.</p>								

Disclosure Questions			P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Details of Review of NGRBCs by the Company											
10	A.	Performance against above policies and follow up action	The ESG action committee proposed to review the Company's performance across all aspects of the nine principles of the NGRBC quarterly and provide an update to the ESG steering committee for necessary action.								
	B.	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliance	The ESG action committee proposed to review the statutory requirements of relevance to the principles quarterly and provide an update to the ESG steering committee for necessary action.								
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.		No								
12	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated		Not applicable								

Note 1: The Company works closely with various trade and industry associations. This includes industry representations to the government and/ or regulators. The Company performs the function of policy advocacy in a transparent and responsible manner while engaging with all the authorities and considers the Company's interest as well as the larger national interest. The Company believes that policy advocacy must preserve and expand public good and thus, it does not advocate any policy change to benefit itself alone or a select few.

Note 2:

P-1	Refer to our Code of Conduct web page Refer to our Good Governance and Anti-Corruption Policy web page	https://www.ipca.com/code-of-conduct/ https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Good-Governance-and-Anti-Corruption-Policy.pdf
P-2	Refer to our Sustainable Procurement Policy on web page	https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Sustainable-Procurement-Policy.pdf
P-3	Refer to our Environment, Health & Safety Policy on web page	https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Environment-Health-and-Safety-Policy.pdf
P-4	Refer to our Grievance Redressal Policy for Internal Stakeholder on web page Refer to our Grievance Redressal Policy for External Stakeholder on web page Refer to our Whistleblower Policy on web page	https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Grievance-Redressal-Internal-Policy.pdf https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Grievance-Redressal-External-Policy.pdf https://www.ipca.com/whistleblowing-policy/
P-5	Refer to the Human Rights Policy on web page	https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Human-Rights-Policy.pdf
P-6	Refer to the Environment Sustainability on web page Refer to the Water Policy on web page Refer to the Energy Policy on web page	https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Environment-Sustainability-Policy.pdf https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Water-Policy-and-Waste-Management-Policy.pdf https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Energy-Policy.pdf
P-7	Details of our interaction with industry associations have been provided in Principle 7	Refer Principle 7 of this report
P-8	Refer to the Corporate Social Responsibility Policy on web page	https://www.ipca.com/wp-content/pdf/corporate-policy/2023/corporate-social-responsibility-policy.pdf
P-9	Refer to our Grievance Redressal Policy for External Stakeholder on web page Refer to our Privacy Policy on web page	https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Grievance-Redressal-External-Policy.pdf https://www.ipca.com/wp-content/pdf/corporate-policy/2023/data-privacy-policy.pdf

Note 3: A Environmental targets

A.1 **Carbon Emission:** 20 % reduction in carbon emissions by 2030 (scope 1 & 2)

A.2 **Waste:** 35% of hazardous waste to be disposed through co-processing by 2030

B Supply Chain

100 % of our critical suppliers to be compliant with our sustainable procurement policy by 2030

C Social Target

Diversity target: 10% of women employees in our offices by 2030

SECTION C - PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS**1 Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ Principles Covered Under The training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BODs)/	2	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9	100%
Key Managerial Personnel (KMPs)	4	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9	100%
Employees other than BoD and KMPs	110	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9	80%
Workers (Permanent)			

2 Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary

Segment	NGRBC Principle	Name of the regulatory/ Enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL		
Settlement					
Compounding Fees					

Non-Monetary

Segment	NGRBC Principle	Name of the regulatory/ Enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment					

3 Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

Not applicable

4 Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Ipca has good governance and anti- corruption policy. The policy reiterates that Ipca does not tolerate any bribery or corruption and conduct all of its business activities with honesty, integrity, and the ethical standards in all of its areas of operation. The policy applies to all members of the Board of Directors, full and part-time employees of the Company, its subsidiaries and affiliates. All business partners are also expected to follow the same standard of ethics when conducting business with the Company or on its behalf. Refer to our good governance and anti- corruption policy web page <https://www.ipca.com/wp-content/pdf/corporate-policy/2023/Good-Governance-and-Anti-Corruption-Policy.pdf>.

5 Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.

	FY 22-23	FY 21-22
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6 Details of complaints with regard to conflict of interest:

	FY 22-23		FY 21-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Not applicable	0	Not applicable
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	Not applicable	0	Not applicable

7 Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

LEADERSHIP INDICATORS

1 Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

We are in the process of formulating ESG related awareness programmes for them in the coming years.

2 Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same

Yes, the Company's Code of Conduct expects all its Directors to avoid any activity that may create a conflict with the best interests of the Company. Annually Directors are required to disclose to the Company that they abide by the Code of Conduct.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**ESSENTIAL INDICATORS**

- 1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY 22-23 (₹ Crores)	FY 21-22 (₹ Crores)	Details of improvements in environmental and social impacts
R&D	19.89%	39.23%	The establishment of a continuous process pilot plant facility represents a significant investment, aiming to enhance both environmental and social impact through various measures, including waste and emissions reduction, decreased water usage, efficient resource utilization and mitigated safety risks.
Capex	23.05%	4.87%	We have installed a captive solar project in Madhya Pradesh, generating power specifically for our Ratlam and Indore manufacturing sites. This initiative will significantly reduce emissions, estimated at approximately 39,060 MtCO ₂ e every year. Additionally, we have upgraded our effluent treatment plant and sewage treatment plant to improve water efficiency.

- 2 Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?**

As per our sustainable procurement policy, we are in the process of assessing our critical suppliers on multiple criteria including business ethics, human rights, social impact, safety and environment.

- 3 Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

We have waste management systems in place across all manufacturing sites

- In-house plastic waste management system has following six steps: collecting waste plastics, sorting, or arranging plastics into categories, washing to remove impurities, shredding and resizing, sale to plastic waste recycler as per plastic waste management rules.
- E-Wastes are being disposed through pollution control board approved vendors as per e-waste management rules.
- Hazardous wastes are being disposed through pollution control board approved vendors as per the hazardous waste management rules.
- The other wastes are disposed as per the local regulatory bodies and the regulations."

- 4 Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, we work in compliance with the Extended Producer Responsibility (EPR) guidelines. Our plastic waste collection plan is in line with the EPR plan submitted to Pollution Control Board (PCB).

LEADERSHIP INDICATORS

- 1 Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

No

- 2 If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not applicable

- 3 Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)**

Some basic components used are recovered from our processes such as solvents and mother liquors which are further reused in our processes. But it should be noted that the quantity or volume of the solvents and mother liquor is not documented and hence information about the same will not be disclosed in this reporting cycle.

- 4 Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed**

Not available

- 5 Reclaimed products and their packaging materials (as percentage of products sold) for each product category**

Not available

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1 A. Details of measures for the well-being of employees:

Category	% of Employees Covered By										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	13,249	-	-	13,249	100	-	-	13,249	100	-	-
Female	845	-	-	845	100	845	100	-	-	-	-
Total	14,094	-	-	14,094	100	845	6.00	13,249	94.00	-	-
Other than Permanent Employees											
Male	565	-	-	565	100	-	-	-	-	-	-
Female	93	-	-	93	100	-	-	-	-	-	-
Total	658	-	-	658	100	-	-	-	-	-	-

B. Details of measures for the well-being of workers:

Category	% of Workers Covered By										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	1,260	-	-	1,260	100	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	1,260	-	-	1,260	100	-	-	-	-	-	-
Other than Permanent Workers											
Male	5,035	-	-	5,035	100	-	-	-	-	-	-
Female	260	-	-	260	100	-	-	-	-	-	-
Total	5,295	-	-	5,295	100	-	-	-	-	-	-

2 Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 22-23			FY 21-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	31	73	Y	35	80	Y
Other - Superannuation	2.14	0.02	Y	0.31	-	Y

3 Accessibility of workplaces: Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

The corporate office premises have elevators and relevant infrastructure for differently abled individuals.

4 Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

Yes, please refer to section "Diversity, Equal Opportunity and Non-Discrimination" under the human rights policy of the Company. The policy is available at the Company's website at: <https://www.ipca.com/wp-content/pdf/corporate-policy/2023/human-rights-policy.pdf>

5 Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	-	-
Female	100%	100%	-	-
Total	100%	100%	-	-

6 Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Ipca has three mechanisms available to receive and redress grievances: 1) Grievance Redressal Policy for Internal Stakeholder: It is applicable to all employees and workers to report grievance related to their employment, against a course of conduct, a lapse in judgement, or a planned course of action with regard to them by a manager, a coworker, or a supervisor. 2) Whistle Blower Policy: It provides a formal mechanism to all employees and workers to report any actual or suspected concerns related to violation of the code of conduct or any other unethical behaviour. 3) Sexual Harassment Policy: We also have in place internal committees for handling the grievances arising out of sexual harassment at the workplace thereby, adhering to the Prevention of Sexual Harassment Act.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7 Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 22-23			FY 21-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (C / D)
Total Permanent Employees	14,094	-	-	13,152	-	-
Male	13,249	-	-	12,286	-	-
Female	845	-	-	866	-	-
Total Permanent Workers	1,260	1,260	100	1,300	1,300	100
Male	1,260	1,260	100	1,300	1,300	100
Female	-	-	-	-	-	-

8 Details of training given to employees and workers:

Category	FY 22-23					FY 21-22				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	13,249	10,552	79.65%	10,552	79.65%	12,286	-	-	-	-
Female	845	762	90.19%	762	90.19%	866	-	-	-	-
Total	14,094	11,315	80.28%	11,315	80.28%	13,152	-	-	-	-
Workers										
Male	1,260	450	35.71%	450	36%	1,300	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	1,260	450	35.71%	450	36%	1,300	-	-	-	-

*Data on training is available from FY 22-23.

9 Details of performance and career development reviews of employees and worker:

Category	FY 22-23			FY 21-22		
	Total (A)	Number (B)	% (B / A)	Total (C)	Number (D)	% (D / C)
Employees						
Male	13,249	13,249	100%	12,286	12,286	100%
Female	845	845	100%	866	866	100%
Total	14,094	14,094	100%	13,152	13,152	100%
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

10 Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, we have implemented an occupational health and safety management system. It is applicable across all manufacturing sites and covers all employees, workers and contractors. At each plant Company has created operation wise safty committees that reports to plant safty committee. All plants reports on safty parameters are reviewed at corporate safety committee every month.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We have corporate safety guidelines and site level SOPs available on process hazard analysis , hazop , job safety analysis and HIRA to identify, assess and protect everyone within the premises of the organization from EHS risk associated with any chemical, biological, work-related hazards, physically demanding tasks and risks associated with any infrastructures. Four of our API sites and two formulations sites are certified under ISO 45001 and there are regular surveillance and re-certification audits by the third party.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N). If yes, the coverage such system?

Yes, we have an Incident Management System for reporting, investigating and implementation of appropriate remedial actions. The system allows for reporting of all incidents,including near-miss and potential hazards. We also have 5 minutes safety talk concept wherein every department head interacts with the team on work related hazards and risk on daily basis.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No). If yes, the coverage such system?

Yes , partly covered under ESIC scheme as per applicability.

11 Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 22-23	FY 21-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.26	0.33
	Workers	0.68	2.05
Total recordable work-related injuries	Employees	3	11
	Workers	11	36
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12 Describe the measures taken by the entity to ensure a safe and healthy work place.

We have established health and safety systems which are inclusive of policies and procedures , safety guidelines and work permit system, regular mock drills and awareness trainings, periodic meetings of safety committee, incident investigation and analysis, near miss reporting system, safety behaviour observation , risk assessment and JSA (job safety analysis), contractor safety management, safety inspections and audits, hazardous substance control, emergency preparedness , occupational health programme , safety PPEs, fire fighting tools and equipments etc. We conduct periodic assessments to evaluate the effectiveness of the systems implemented and appropriate measures are taken to further improve our health and safety performance continually.

13 Number of complaints on the following made by employees and workers

	FY 22-23			FY 21-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil		Nil	Nil	
Health & Safety	Nil	Nil		Nil	Nil	

14 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions

Not applicable

LEADERSHIP INDICATORS**1 Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)**

We have covered all employees under LIC policy for payment of gratuity up to age of retirement.

2 Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

We obtain monthly statutory payment challans for verification from our value chain partners before processing their invoices. This activity is also reviewed as part of the internal and statutory audit.

- 3 Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 22-23	FY 21-22	FY 22-23	FY 21-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

- 4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes

- 5 Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil*
Working Conditions	Nil*

*No independent assessment is carried out, However we are in the process to initiate assessment of our value chain partners in the coming years.

- 6 Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners**

Not applicable.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**ESSENTIAL INDICATORS****1 Describe the processes for identifying key stakeholder groups of the entity.**

We consider individuals, groups, institutions or entities that contribute to shaping our business, that add value or constitute a core part of the business value chain as key stakeholders. Our stakeholders are both internal and external, and direct as well as indirect. Our key stakeholders include employees, investors, suppliers and partners, customers, government authorities, healthcare professionals, patients and the community.

2 List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Sr. No.	Stakeholder Group	Whether Identified as vulnerable & marginalized groups (Yes /No)	Channels of communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement Instruction/Guidance
1	Employees	No	Digital and physical channels of communication including but not limited to e-mails, intranet, internal human resource portal, notice board, employee committees, engagement initiatives, employees redressal and appraisal and training programmes.	Continuous	Health and Safety Awareness, skill upgradation for personal and professional growth, awareness of company policy and grievance redressal, providing the latest and updated information on Company and industry developments.
2	Shareholders/ Investors	No	Press releases, social media, website, analyst meets, analyst briefings, quarterly results, annual general meetings, financial reports, email advisories, Intimation to stock exchanges, annual/ quarterly financials, and investor meetings/ conferences.	Frequent and need based	Update shareholders/investors on the business and financial performance, Company's strategy, potential opportunities and risks.
3	Patients	Yes, depending on various factors such as health, income, access and others	Customer meets, mailers, news bulletins, brochures, social media, website	Frequent and need based	Increase awareness and educate to improve the health of our patients, identify and address the unmet patient needs and develop better products/ services for the patients.
4	Health Care Professionals	No	In-person visits, e-mail, web conferences, brochures, social media, website.	Frequent and need based	Update healthcare professionals on products, innovations, access, availability of our medicines and healthcare solutions, and to understand patient needs.
5	Customers	No	Physical and virtual meetings, customer events, calls, e-mail, website.	Daily	Ensure regular supply of the products, keep them informed about new products, participate in the bids/ tenders and maximize the outreach of our products.
6	Suppliers and Partners	No	Physical and virtual meetings, calls, e-mail, website.	Frequent and need based	We emphasize on sourcing and procurement of quality product and services and follow fair, transparent, ethical and sustainable practices and seek suppliers and partners who share the same commitment.

Sr. No.	Stakeholder Group	Whether Identified as vulnerable & marginalized groups (Yes /No)	Channels of communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement Instruction/Guidance
7	Government Authorities	No	E-mails, meetings, submissions	need based	Our engagement with official authorities, regulatory authorities, and policy-makers is to comply with all relevant statutory and regulatory requirements that are required by law.
8	Community	Yes	Physical visits, digital channels	Frequent and need based	For the purpose of giving back to society, our corporate social responsibility and employee volunteering programmes target the areas of healthcare and education through partners and NGOs.

LEADERSHIP INDICATORS

1 Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board

Consultation with the respective stakeholder groups is done by the relevant business and functional heads. Feedback from such consultations is shared with the Board during the quarterly Board meetings.

2 Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

We have conducted materiality assessment with our stakeholders to understand their concerns and feedback in terms of material topics pertaining to ESG parameters for the company. We have also incorporated these aspects in our policies.

3 Details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups

As part of the Corporate Social Responsibility (CSR) initiatives, we have implemented several CSR programs in the areas of healthcare, education, environmental aspects through partners and NGOs for marginalized sections of communities. For further details refer our annual report and CSR report.

PRINCIPLE 5 Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 22-23			FY 21-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	14,094	11,315	80	13,152	-	-
Other than permanent	658	534	81	334	-	-
Total Employees	14,752	11,848	80	13,486	-	-
Workers						
Permanent	1,260	1,004	80	1,300	-	-
Other than permanent	5,295	-	-	5,818	-	-
Total Workers	6,555	1,004	15	7,118	-	-

*Data on training is available from FY 22-23, although training was conducted in 2021-22, documentation regarding the same was not in place and hence the data has not been provided.

2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY 22-23					FY 21-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent										
Male	13,249	-	-	13,249	100	12,286	-	-	12,286	100
Female	845	-	-	845	100	866	-	-	866	100
Other than Permanent										
Male	565	-	-	565	100	279	-	-	279	100
Female	93	-	-	93	100	55	-	-	55	100
Workers										
Permanent										
Male	1,260	-	-	1,260	100	1,300	-	-	1,300	100
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	5,035	5,035	100	-	-	5,536	5,536	100	-	-
Female	260	260	100	-	-	282	282	100	-	-

3 Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Numbers	Median remuneration/ salary/ wages of respective category	Numbers	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	3,63,08,703	1	9,50,000
Key Managerial Personnel	5	6,05,30,524	-	-
Employees other than BoD and KMP	13,249	4,78,651	845	5,80,633
Workers	1,260	3,20,512	-	-

4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business:

Yes

5 Describe the internal mechanisms in place to redress grievances related to human rights issues:

Yes, we have grievance redressal policy for internal stakeholders, it is applicable to all employees and workers to report grievance related to human rights issues.

6 Number of Complaints on the following made by employees and workers:

Category	FY 22-23			FY 21-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0		5	0	
Discrimination at workplace	-	-		-	-	
Forced Labour/Involuntary Labour	-	-		-	-	
Wages	-	-		-	-	
Other human rights related issues	-	-		-	-	

7 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The company has established “Grisha Committee “ at all locations to address complaints with respect to sexual harassment. The sexual harassment policy of the company ensures strict confidentiality of the investigation procedure and protection of the identity of the complainant. In addition, the complainant is also protected against any retaliation.

8 Do human rights requirements form part of your business agreements and contracts

Yes

9 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100
Forced/Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100

All the locations under the entity are assessed on the above parameters, complying with the requirements of the Shop Establishments Act for offices and the Factor Inspector audits at plants and R&D centres.

10 Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 9 above

During the assessment, no significant risks/ concerns identified.

LEADERSHIP INDICATORS

1 Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints

We haven’t received any human rights grievances / complaints in the reporting year.

2 Details of the scope and coverage of any Human rights due diligence conducted

The Company in the reporting period did not undertake any Human Rights due diligence.

3 Is the premise/office of the entity accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act 2016?

Yes, the corporate office premises have elevators and relevant infrastructure for differently abled individuals.

4 Details on assessment of value chain partners

No assessment of value chain partners is carried out in the reporting period, However we are in the process to initiate assessment of our value chain partners in the coming years.

5 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above

Not applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**1 Details of total energy consumption (in Joules or multiples) and energy intensity**

Parameter	FY 22-23 (GJ)	FY 21-22 (GJ)
Total electricity consumption (A)	7,64,503	7,50,757
Total fuel consumption (B)	13,82,108	16,75,643
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	21,46,611	24,26,400
Energy intensity per rupee of turnover in Gigajoules (GJ)/ INR Million	36.2	44.2

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No.

2 Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

None of our sites comes under PAT Scheme as Designated Consumer.

3 Provide details of the following disclosures related to water

Parameter	FY 22-23	FY 21-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	6,87,259	6,80,647
(iii) Third party water (Municipal water supplies, etc.)	4,77,646	4,17,476
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	11,64,906	10,98,122
Total volume of water consumption (in kilolitres)	11,60,143	10,91,938
Water intensity per rupee of turnover (in kilolitres / INR Million) (Water consumed / turnover)	19.6	19.9

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

4 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

Yes, we have implemented Zero Liquid Discharge (ZLD) mechanism at 14 of our 16 manufacturing plants in India. To achieve ZLD we have installed RO (Reverse osmosis)/MEE (Multiple effect evaporator) /ATFD (Agitated thin film dryer)/DAF (Diffused air flotation system) / MVRE (Mechanical vapor recompression evaporation) technologies.

In our 16 manufacturing plants in india, water treatment is implemented in following manner:

- 1) 9 manufacturing plants: Primary, secondary, tertiary treatment is done in Effluent Treatment Plant (ETP), contaminants are reduced to solids through ZLD, ETP recycled water is used in utilities, Sewage Treatment Plant (STP) treated water is used inside the plant for gardening purpose.
- 2) 5 manufacturing plants: Primary, secondary, tertiary treatment is done in ETP as per PCB (Pollution Control Board) requirements, ETP and STP treated water is used inside the plant for gardening purpose.
- 3) 2 manufacturing plants: Primary, secondary, tertiary treatment is done in ETP as per PCB requirements and treated water is send to CETP (Common effluent treatment pants) in the industrial clusters.

5 Please provide details of air emissions (other than GHG emissions) by the entity

Parameter	Units	FY 22-23	FY 21-22
NOx	mg/Nm3	35.45	26.86
SOx	mg/Nm3	33.38	32.59
Particulate matter (PM)	mg/Nm3	49.36	43.76

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

6 Please provide details of air emissions (other than GHG emissions) by the entity

Parameter	Units	FY 22-23	FY 21-22
Total Scope 1 emissions	Metric tonnes of CO2 equivalent	1,24,880	1,51,862
Total Scope 2 emissions	Metric tonnes of CO2 equivalent	1,79,114	1,74,694
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric Tonnes of CO2 / INR Million	5.1	5.9

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No.

7 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

Yes, we have implemented multiple projects for reducing greenhouse gas emissions from our operations, details are as follows :

- 1) Installed 28 MWp captive solar project at Madhya Pradesh in FY 22-23, where power generated will be used at our Ratlam and Indore manufacturing sites respectively likely from July 2023 onwards, this initiative will help us in emission reduction of approx 39,060 MtCO2e and will increase our renewable energy share by 22 %.
- 2) As on date we have installed capacity 6.1 MWp of solar project and 2 MW of wind project, where power generated is used at our Mahad, Auranagabad and Ranu manufacturing sites respectively, at present our renewable energy share is 6% and this has helped us in emission reduction of 12,012 MtCO2e in FY 22-23.
- 3) Shifting to piped natural gas in place of furnace oil at Tarapur and Pithampur manufacturing sites. This has resulted in emission reduction of 140 MtCO2e.
- 4) Shifting to biomass or briquette fuel in place of coal at Aurangabad manufacturing sites. This has resulted in emission reduction of 665 MtCO2e.
- 5) Replaced old conventional luminaries by energy-efficient LED lights. A total of 3523 lights were replaced at Dehradun, Piparia, Ratlam, Ankleshwar and Athal manufacturing sites. This has resulted in emission reduction of 200 MtCO2e.
- 6) Replaced traditional AC motors with energy efficient motors, installed energy efficient equipments, VFD installed at various equipments which has resulted in energy efficiency and emission reduction.

8 Provide details of the following disclosures related to water

Parameter	FY 22-23	FY 21-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	915	736
E-waste (B)	14	5
Bio-medical waste (C)	6	1
Construction and demolition waste (D)	-	-
Battery waste (E)	8	14
Radioactive waste (F)	-	-
Other hazardous waste* (G)	20,382	19,154
Other Non-hazardous waste generated** (H)	8,986	8,744
Total (A+B + C + D + E + F + G + H)	30,311	28,653

Parameter	FY 22-23	FY 21-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Plastic waste		
(i) Recycled	915	736
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	915	736
E-waste		
(i) Recycled	14	5
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	14	5
Battery waste		
(i) Recycled	8	14
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	8	14
Hazardous waste		
(i) Recycled	6,276	4,579
(ii) Re-used	-	-
(iii) Other recovery operations (Co-processing or recycling)	3,423	4,649
Total	9,699	9,227
Non-hazardous waste		
(i) Recycled	3,469	4,077
(ii) Re-used	5,284	4,440
(iii) Other recovery operations	-	-
Total	8,753	8,517
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Bio-medical waste		
(i) Incineration	6	1
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	6	1
Hazardous waste		
(i) Incineration	4114	1195
(ii) Landfilling	6,569	8,731
(iii) Other disposal operations	-	-
Total	10,683	9,927
Non-hazardous waste		
(i) Incineration	-	-
(ii) Landfilling	233	227
(iii) Other disposal operations	-	-
Total	233	227

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No.

9 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

We have waste management practices in place across all manufacturing sites, plastic waste is sold to recycler. E-Waste is sold to authorised vendors. Larger quantity of hazardous waste is sent to cement plants for co-processing and remaining quantity of hazardous waste is sent to landfill. Other non-hazardous waste such as wooden waste, metal scrap, glass waste, boiler ash etc. are sent to recyclers and brick manufacturers.

In order to reduce usage of hazardous and toxic chemicals in our products and processes, we have implemented various initiative including process optimization, improvement in solvent recovery, technological advancement, encouraging procurement of non-hazardous and less toxic materials etc.

10 If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format

None of our sites are located in ecologically sensitive sites.

11 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Not applicable.

12 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances

Yes, we follow all the applicable environmental laws/ regulations/ guidelines in India.

LEADERSHIP INDICATORS

1 Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 22-23 (GJ)	FY 21-22 (GJ)
From renewable sources		
Total electricity consumption (A)	48,049	51,982
Total fuel consumption (B)	55,319	59,045
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	1,03,368	1,11,026
From non-renewable sources		
Total electricity consumption (D)	7,16,454	6,98,775
Total fuel consumption (E)	13,26,789	16,16,599
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	20,43,243	23,15,374

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No.

2 Provide the following details related to water discharged

Parameter		FY 22-23	FY 21-22
Water discharge by destination and level of treatment (in kilolitres)			
(i)	To Surface water		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(ii)	To Groundwater		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(iii)	To Seawater		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(iv)	Sent to third-parties (Common Effluent Treatment Plant)		
-	No treatment		
-	With treatment – please specify level of treatment (post primary, secondary and tertiary treatment, sent to the CETP)	4,763	6,184
(v)	Others		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)		4,763	6,184

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No.

3 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area : Ratlam, Indore, Dewas, Pithampur, Ranu, Kandla, Athal and Piparia
- (ii) Nature of operations : Manufacturing
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter		FY 22-23	FY 21-22
Water withdrawal by source (in kilolitres)			
(i)	Surface water	-	-
(ii)	Groundwater	6,22,975	6,03,912
(iii)	Third party water (Municipal water supplies, etc.)	2,56,688	1,95,229
(iv)	Seawater / desalinated water	-	-
(v)	Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		8,79,664	7,99,141
Total volume of water consumption (in kilolitres)		8,79,664	7,99,141
Water intensity per rupee of turnover (in kilolitres / INR Million) (Water consumed / turnover)		14.8	14.6
Water discharge by destination and level of treatment (in kilolitres)			
(i)	To Surface water		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(ii)	To Groundwater		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-

Parameter		FY 22-23	FY 21-22
(iii)	To Seawater		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(iv)	Sent to third-parties	-	-
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(v)	Others		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No.

4 Please provide details of total Scope 3 emissions & its intensity

The Company in the reporting period did not calculated scope 3 emissions & its intensity.

5 With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities

Not applicable.

6 If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of 500 KW back pressure turbine	Initially PRS was used to reduce boiler pressure from 12 kg/cm ² to 4 kg/cm ² , due to difference in pressure energy got wasted in PRS. We have replaced PRS with 500 KW back pressure turbine, now this turbine is utilising difference in pressure and generating power	Imporved resource efficiency: Diffence in pressure which was initailly wasted is now utilised to generate power of 500 KW/hr
2	Fuel substitution	Shifting to piped natural gas in place of furnace oil at Tarapur and Pithampur manufactruring sites	Reduction in CO ₂ emission

7 Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

Yes, the Company has a business continuity and on-site emergency plan to ensure smooth business operations, uninterrupted supply of goods to the customers and provide guidance to the personnel for effectively combating such emergency situations to minimize loss of life and property. All critical business functions have been prioritized based on the risk assessment and its criticality to the business for the next action to be taken to reduce the impact. It outlines the back up arrangement and course of action to be followed by the company in case of any emergency or disaster event like major fire or explosion, data loss or IT failure, any natural calamity like flooding or earthquake, raw material supply interruption, utilities and communication failure, release of toxic, flammable or hazardous chemicals or any other similar condition which may occur during performing any business operation.

8 Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard

Not available.

9 Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

In the reporting period, the Company did not evaluate any of its value chain partners on the basis of environmental impact.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

- 1 (a) **Number of affiliations with trade and Industry Chambers / Associations: 10**
 (b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Drugs Manufacturing Association (IDMA)	National
2	Indian Pharmaceutical Alliance (IPA)	National
3	Pharmaceuticals Export Promotion Council of India (PHARMEXCIL)	National
4	IMC Chamber of Commerce and Industry	National
5	Federation of Indian Export Organizations (FIEO)	National
6	National Safety Council (NSC)	National
7	Silvassa Industries and Manufacturers Association	State
8	Federation of Gujarat Industries (FGI)	State
9	Association of Industries Madhya Pradesh	State
10	Chamber of Marathwada Industries and Agriculture	State

- 2 **Provide details of corrective action taken or underway on any issues related to anti competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil
Nil	Nil	Nil

LEADERSHIP INDICATORS

- 1 **Details of public policy positions advocated by the entity**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board(Annually/ Half yearly/ Quarterly / Others –please specify)	Web Link, if available
Nil					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

- 1 **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

Note: During the year, the Company has not undertaken any SIA under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

- 2 **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity**

Not applicable.

- 3 **Describe the mechanisms to receive and redress grievances of the community**

The Company engages with its community members through the channel of NGO partners and in-person meetings. These channels of communication facilitate the receipt and redressal of grievances of the community.

4 Percentage of input material (inputs to total inputs by value) sourced from suppliers

Sr. No.	Description	FY 22-23	FY 21-22
1	Directly sourced from MSMEs/ small producers	19.8%	17.7%
2	Sourced directly from within the district and neighbouring districts	25.6%	21.0%

LEADERSHIP INDICATORS

1 Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

No negative social impact identified

2 Details of beneficiaries of CSR Projects:

Sr. No.	State	Aspirational District	Amount spent (In INR)
1	Assam	Udalguri	3,86,54,631
2	Sikkim	West Sikkim	2,99,146
3	Maharashtra	Osmanabad	10,030

3 (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)

No. The Company does not have any preferential procurement policy focusing on suppliers from marginalised/ vulnerable groups.

(b) From which marginalised/vulnerable groups do you procure?

Not applicable.

(c) What percentage of total procurement (by value) does it constitute?

Not applicable.

4 Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable.

5 Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Not applicable.

6 Details of beneficiaries of CSR Projects:

Sr. No.	CSR Projects	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promotion of education,vocational training and skill enhancement projects	24,09,893	100%
2	Environmental sustainability and national resource conservation	1,03,809	47%
3	Rural development projects	77,042	77%
4	Eradication of poverty, promotion of healthcare,sanitation,drinking water	37,508	99%
5	Promoting sports	933	83%
6	Promoting of gender equality and empowering women	728	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**ESSENTIAL INDICATORS****1 Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

The company has standard operating procedure and a dedicated team for handling and investigating product complaints received from customers. Once the product complaint is received it is logged with the company's system. Post which, the complaint is shared with respective manufacturing location for investigation and the complainant is notified about the same. The investigation is completed within 40 calendar days and response is shared with complainant along with corrective and preventive action plan wherever necessary to avoid reoccurrence.

2 Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	100%
Recycling and/or safe disposal	-

3 Number of consumer complaints in respect of the following

	FY 22-23			FY 21-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other -Packaging Defect / Transportation complaints	617	-	The complaints include packaging defects such as missing components, damaged label and damaged outer packaging	670	-	The complaints include packaging defects such as missing components, damaged label and damaged outer packaging

4 Details of instances of product recalls on account of safety issues:

	Numbers	Reason for Recall
Voluntary recalls	3	1) Recalled due to out of specification observed in related substance test during stability studies. 2) Recalled due to market complaints received
Forced recalls	Nil	-

5 Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes.

Refer to our Privacy Policy on web page: <https://www.ipca.com/wp-content/pdf/corporate-policy/2023/data-privacy-policy.pdf>.

6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

No penalties / regulatory actions have been levied or taken on the above-mentioned parameters.

LEADERSHIP INDICATORS

1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)

The Company's website provides detailed information on the products sold region-wise:

- <https://www.ipca.com/active-pharmaceutical-ingredient-products/>
- <https://www.ipca.com/pharmaceutical-formulations-manufacturers-india/>
- <https://www.ipca.com/branded-formulations-international/>
- <https://www.ipca.com/generic-drug-formulations/>
- <https://www.ipca.com/our-businesses-global-businesses-united-kingdom/>
- <https://www.ipca.com/our-businesses-global-businesses-usa/>
- <https://www.ipca.com/our-businesses-global-businesses-russia/>

2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

The information label attached to each product informs the consumers about instructions for safe use, sourcing of ingredients, composition, side effects, guidance on appropriate storage conditions etc.

3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services

As per the guidelines of National Pharmaceutical Pricing Authority, the Company discloses discontinuation of any scheduled formulation by issuing a public notice for relevant stakeholders in addition to informing the Government at least six months prior to the intended date of discontinuation.

4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No

5 Provide the following information relating to data breaches:

- | | | |
|---|--|-----|
| a | Number of instances of data breaches along-with impact: | Nil |
| b | Percentage of data breaches involving personally identifiable information of customer: | Nil |

FORM NO. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023**

(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, 2023, 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, 2023 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 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 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, 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 ₹ 19.43 crores towards CSR out of the amount of ₹ 21.88 crores required to be spent during the year. The unspent amount of CSR Expenditure of ₹ 2.45 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. During the financial year under report, the Company has acquired further 6.53% of the paid-up equity share capital of Tropic Wellness Private Ltd., a company engaged in the business of manufacturing and marketing several SKUs of Nutraceuticals under the brand name "Nutricharge". With this acquisition, the Company now holds 58.88% of the paid-up equity share capital of the said company.
2. During the financial year under report, the Company has acquired, thru preferential allotment, further 4.78% of the paid-up equity share capital of Lyka Labs Ltd, a listed company, engaged in the business of manufacturing and marketing of injectables, lyophilized injectables and topical formulations.
3. The Hon'able National Company Law Tribunal, Mumbai Bench vide its order dated 27th April, 2023 has approved the merger of M/s. Ramdev Chemical Pvt. Ltd. and M/s. Tonira Exports Ltd., Company's wholly owned subsidiaries with the Company with effect from 1st April, 2022.

For Parikh & Associates
Company Secretaries

Jigyasa N. Ved
Partner
FCS No: 6488 CP No: 6018
UDIN: F006488E000405084
PR No.: 1129/2021

Place: Mumbai
Date: 29.05.2023

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: F006488E000405084
PR No.: 1129/2021

Place: Mumbai
Date: 29.05.2023

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, 2023, 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 notes to the financial statements, including 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 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, 2023, and its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditors’ Response
1.	<p>Inventory Valuation</p> <p>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 pharmaceutical products. Such judgements include management expectations for future sales and inventory liquidation plans.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • 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 the testing done for net realizable value of inventories 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. • We have assessed the adequacy of disclosure in the Standalone Financial Statements.

Sr No	Key Audit Matter	Auditors' Response
2.	<p>Assessment of Accounting pursuant to Scheme approval by NCLT for merger of Ramdev Chemical Private Limited (Ramdev) and Tonira Exports Limited (Tonira) with Ipca Laboratories Limited (Ipca)</p> <p>Pursuant to the Scheme of Merger ('the Scheme') of Ramdev, Tonira and Ipca under the provisions of Sections 230 to 232 of the Companies Act, 2013 which has been approved by the National Company Law Tribunal vide their order delivered on April 27, 2022, which has been filed with the Registrar of Companies on May 23, 2023, to make the Scheme effective. The Appointed date of the Scheme is April 1, 2022.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • We obtained and read the documents filed by the Company with the Registrar of Companies, including the NCLT order with respect to the merger of Ramdev and Tonira with the Company; • Tested the underlying workings prepared by management for merger of Ramdev and Tonira including the workings prepared for restatement of comparative figures for previous year as required by Appendix C to Ind AS 103; • Tested the underlying workings prepared by management for transfer of assets and liabilities at its carrying values pertaining to business as per the Scheme; • Assessed accounting in accordance with Scheme and as per applicable accounting standards which includes the following ; <ul style="list-style-type: none"> • Since the Business Combination is of entities under common control in accordance with the Appendix C of Ind AS 103, the financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. • Accordingly, the Company has accounted for the Scheme in its books of accounts with effect from April 1, 2021 as required by Appendix C of Ind AS 103 "Business Combination". • Assessed the disclosures in the standalone Ind AS financial statements for compliance with disclosure requirements.
3.	<p>Impairment of Property, plant & equipment</p> <p>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, 2023 the carrying amount of PPE & CWIP was ₹ 2,549.94 crores which represent 30.19 % 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.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • 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 discussed with the management the matter relating to the determination of the value in use of the PPE at the various plants. • 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.

Sr No	Key Audit Matter	Auditors' Response
4.	<p>Assessment of Impairment of Investment made in and Loans given to the subsidiaries company, joint ventures and associates.</p> <p>Management is required to review regularly whether there are any indicators of impairment of such investments / loans by reference to the requirements under Ind AS and perform its impairment assessment by comparing the carrying value of these investments made/ loans given to their recoverable amount to determine whether impairment needs to be recognized.</p> <p>For impairment testing, value in use has to be determined by forecasting and discounting future cash flows of subsidiaries, Joint ventures and associates.</p> <p>Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including market projections for revenues and discounting rates.</p> <p>The determination of the recoverable amount from subsidiary company involves management estimates and judgment which may affect the outcome.</p> <p>So, there is an inherent risk in the valuation of investment / recoverability of loans, due to the use of estimates and judgements mentioned above and accordingly, the assessment of impairment of investment/loans in subsidiary company has been determined as a key audit matter.</p> <p>Refer Note 2 B (f) for the accounting policy on Impairment of Investments & in Standalone Financials as at March 31, 2023.</p>	<p>Our Audit Procedures included the following :-</p> <ul style="list-style-type: none"> We tested the Design, Implementation and Operating effectiveness of controls over impairment assessment process, including those over the forecasts of future revenue and operating margin, and the selection of the discount rate. Our substantive testing procedures included evaluation of appropriateness of management assumption whether any indicators of loss allowances and impairment existed by verifying a discounted cash flow model prepared by the Management of the Company. We have tested the reasonableness of key assumptions, including revenue, profit and cash flow growth rates, terminal value and the selection of discount rates management has applied. We performed our own independent sensitivity analysis to understand the impact of reasonable changes in management assumptions. Independent assessment of the future cash flows and assessing the appropriateness of the future cash flows estimated. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process; Assessing the assumptions around the key drivers of the revenue projections, future cash flow, discount rates / weighted average cost of capital that were used by the management. Management evaluation of recoverability of loans and granted to its subsidiaries company, joint ventures and associates. Test the arithmetical accuracy.

Information Other than the Standalone 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 Company's Annual Report but does not include the Standalone and Consolidated Financial Statements and our Independent Auditors' Report thereon. We have read the Director's Report and Management Discussion and Analysis forming part of the Annual Report and found the same to be in order. However, the other contents of the Annual Report are 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 do not and will not express any form of assurance or 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.

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, we are required to report that fact. We have nothing to report in this matter.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of "the Act" with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

1. 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.
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 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.
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 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.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 year 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 Matter

- a. The comparative financial information of the company for the year ended March 31, 2022 included in these Ind AS financial statements have been audited by the predecessor auditor M/s. G. M. Kapadia & Co. Chartered Accountants who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information dated May 24, 2022 expressed an unmodified opinion. These financial statements have been restated to give effect to the merger as detailed in Note 12(vi).
- b. The figures for the comparative period disclosed in these financial statements are restated for giving effect of merger of Ramdev and Tonira with the Company as disclosed in note no 12(vi) and thus the same are not as per the previous signed financial statements.

Our opinion on the Standalone Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - a. As required by Section 143(3) of the Act, we report that: 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), 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 aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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.
 - 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 37 to the standalone financial statements,
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of their knowledge and belief other than as disclosed in Note No. 4 (6)(k) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, 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(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 as disclosed in Note No. 4 (6)(l) to the financial statements.
 - (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. In the matter of interim dividend declared and paid during the year, the Company is in compliance with section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

N Jayendran
Partner

M. No. 040441

UDIN: 23040441BGYGGN7780

Mumbai,
Dated: May 29, 2023

Annexure A to the Independent Auditors' Report (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ipca Laboratories Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we state that:

- (i) a. (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of right of use and non-current assets held for sale.
- (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. We have verified the title deeds of all the immovable properties (other than 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 and included under Property, Plant and Equipment and based on such verification and as per the confirmation received from the Security trustees of the Lenders, we confirm that the same are held in the name of the company except;

Description of property	Gross carrying value (₹ in Crores)	Held in name of	Whether promoter, director or their relative or employee	Period Held	Reason for not being held in name of company
Leasehold Land	13.77	Ramdev Chemical Private Limited	No	Appointed date as per NCLT order 01.04.2022	Acquisition on Business Combination vide NCLT order. Name transfer work is in progress
Buildings	21.37				
Leasehold Land	0.09	Tonira Exports Limited			
Buildings	0.05				

- d. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e. There are no proceedings initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of examination of records, we are of the opinion that the coverage and procedure of such verification is appropriate and that no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification. The discrepancies wherever noted have been properly dealt with in the books of account of the Company.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company.
- (iii) During the year, the Company has made investments in companies, firms, Limited Liability Partnerships and granted unsecured loans to other parties in respect of which;
- (a) The Company has granted unsecured loans to its associates, joint ventures and others during the year. The details are as under ;

(₹ Crores)

Particulars	Guarantee	Security	Loans	Advances in the Nature of Loans
Aggregate amount granted /provided during the year	-	-	173.00	-
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	98.00	-
- Associates	-	-	41.00	-
- Others	-	-	35.60	-

(₹ Crores)

Particulars	Guarantee	Security	Loans	Advances in the Nature of Loans
Balance outstanding as at balance sheet date in respect of such cases				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	58.00	-
- Associates	-	-	43.00	-
- Others	-	-	3.57	-

- (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 have generally been regular as per stipulation except in case of one joint venture company where schedule of payments of principal and interest is not stipulated on which we are unable to comment.
- (d) There is no overdue amount for more than ninety days in respect of loans given.
- (e) There has been no loan or advance in the nature of loan granted which has fallen due during the year and, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (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 with respect of loans granted, investments made, guarantees and security provided to the extent applicable.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. Accordingly, para 3(v) of the Order is not applicable. We are informed by the management, that no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) The maintenance of the cost records under the sub-section (1) of section 148 of the Act has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Act, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2023 for a period of more than six months from the date they became payable except liability of custom duty amounting to ₹1.07 crores (up to September 30, 2022), which is not paid due to material still lying in bonded warehouse and profession tax amounting to ₹ 0.00 crores.**
- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given below:

Name of Statute	Nature of dues	Amount (In Crores)	Period to which Amount relates	Forum where dispute is pending
Excise Duty	Excise duty (including interest and penalty, as applicable)	0.20	2019-20	Commissionerate (Appeal) Surat
Excise Duty	Excise duty (including interest and penalty, as applicable)	4.15	2001-02	High Court, Gujrat
Service Tax	Service tax (including interest and penalty, as applicable)	0.64	2006-07 & 2007-08	Addl. Commissioner, CGST & Central Excise, Ujjain (M.P.)
Service Tax	Service tax (including interest and penalty, as applicable)	0.23	April'08 to Nov'08	Addl. Commissioner, CGST & Central Excise, Ujjain (M.P.)

Name of Statute	Nature of dues	Amount (In Crores)	Period to which Amount relates	Forum where dispute is pending
Service Tax	Service tax (including interest and penalty, as applicable)	1.42	2006-07 & 2007-08	Addl. Commissioner, CGST & Central Excise, Ujjain (M.P.)
Service Tax	Service tax (including interest and penalty, as applicable)	0.34	April'08 to Nov'08	Addl. Commissioner, CGST & Central Excise, Ujjain (M.P.)
Service Tax	Service tax (including interest and penalty, as applicable)	0.30	Dec'08 to Sept'09	Addl. Commissioner, CGST & Central Excise, Ujjain (M.P.)
Service Tax	Service tax (including interest and penalty, as applicable)	- **	2006-07	Dy. Commissioner, Central Excise, Indore (M.P.)
Service Tax	Service tax (including interest and penalty, as applicable)	0.26	23.04.2017 to 30.06.2017	Dy./ Asst. Commissioner, Central GST & CE, Vadodara
Service Tax	Service tax (including interest and penalty, as applicable)	- **	August'15 to June'17	Dy./ Asst. Commissioner, Central GST & CE, Vadodara
Service Tax	Service tax (including interest and penalty, as applicable)	4.80	July'12 to Sept'13	CESTAT, Mumbai
Sales Tax	Sales tax (including interest and penalty, as applicable)	0.07	2006-07	Gujrat VAT Tribunal, Ahmedabad
Sales Tax	Sales tax (including interest and penalty, as applicable)	0.28	2006-07	Additional Commercial Commissioner Ahmedabad
Sales Tax	Sales tax (including interest and penalty, as applicable)	0.02	2017-18	The Asst. Commissioner of Commercial Tax Ratlam Division-Ratlam (M.P.)
Sales Tax	Sales tax (including interest and penalty, as applicable)	-**	2014-15	The Add. Commissioner Commercial Tax Indore (M.P.)
Sales Tax	Sales tax (including interest and penalty, as applicable)	0.01	2014-15	Sales Tax Department
GST	GST (Including interest and penalty, as applicable)	0.46	Dec-17	The Deputy/Assistant Commissioner of Central Tax (Adjudication Authority), Vijayawada. CGST Division
IGST	GST (Including interest and penalty, as applicable)	-**	2021-22	Appellate Authority MPGST- Indore
GST	GST (Including interest and penalty, as applicable)	0.49	Dec-17	Appeal before Commissioner (Appeals) CGST & Customs (Jaipur)
GST	GST (Including interest and penalty, as applicable)	0.15	2020-21	Assistant Commissioner of State Tax, Raipur Division
GST	GST (Including interest and penalty, as applicable)	0.08	2017-18	Deputy Commissioner of State Tax (Appeal)
GST	GST (Including interest and penalty, as applicable)	1.34	July 2017 to March 2020	Assistant Commissioner, CGST & CX, Thane
GST	GST (Including interest and penalty, as applicable)	2.25	Dec-17	Assistant Commissioner, GST & CX, Cuttack
GST	GST (Including interest and penalty, as applicable)	0.08	2018-19	Superintendent, GST & CX, Cuttack
GST	GST (Including interest and penalty, as applicable)	0.08	2018-19	Superintendent, GST & CX, Cuttack
GST	GST (Including interest and penalty, as applicable)	0.24	2019-20	Assistant Commissioner, GST & CX, Cuttack
Income Tax	Income Tax & Interest thereon	-**	A.Y.2010-11	ITAT, Ahmedabad
Income Tax	Penalty	3.80	A.Y.2009-10	Appeal filed before CIT(A)

Name of Statute	Nature of dues	Amount (In Crores)	Period to which Amount relates	Forum where dispute is pending
Income Tax	Penalty	0.90	A.Y.2010-11	Appeal filed before CIT(A)
Income Tax	Penalty	0.18	A.Y.2011-12	Appeal filed before CIT(A)
Income Tax	Penalty	0.78	A.Y.2012-13	Appeal filed before CIT(A)
Income Tax	Penalty	1.22	A.Y.2014-15	Appeal filed before CIT(A)
Income Tax	Income Tax & Interest thereon	0.09	A.Y.2017-18	Appeal filed before CIT(A)
Income Tax	Income Tax & Interest thereon	0.51	A.Y.2016-17	Appeal filed before CIT(A)
Income Tax	Income Tax & Interest thereon	0.41	A.Y.2018-19	Appeal filed before CIT(A)
Income Tax	Income Tax & Interest thereon	9.11	A.Y.2018-19	Appeal filed before CIT(A)
Income Tax	Income Tax & Interest thereon	0.44	A.Y.2019-20	Appeal filed before CIT(A)
Total		35.33		

The above amounts are net of deposits made by the Company under protest of ₹ 2.60 crores

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

- (viii) There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not delayed or defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- (c) The Company has applied the money obtained by way of term loans during the year for the purposes for which they 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) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. 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) The Company has not made any preferential allotment or private placement of shares or convertible debentures fully or partly or optionally during the year under audit.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the company.
- (c) We have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party 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 of the company issued during the year and till date, for the period under audit.

- (xv) The company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- (xvi) a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company.
- b) The Group has one Core Investment Company.
- (xvii) The Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause (3)(xviii) Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, the company did not have to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013.
- (b) In respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act.

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

N Jayendran
Partner

M. No. 040441

UDIN: 23040441BGYGGN7780

Mumbai,
Dated: May 29, 2023

Annexure - B to the Auditors' Report (Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ipca Laboratories Limited of even date)

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Ipca Laboratories Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statement of the Company for the year 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 standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone 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 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 Standalone 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 Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 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 Standalone Financial Statements.

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

Because of the inherent limitations of Internal Financial controls with reference to 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.

Opinion

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, 2023, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

N Jayendran
Partner

M. No. 040441

UDIN: 23040441BGYGGN7780

Mumbai,
Dated: May 29, 2023

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837

Standalone Balance Sheet as at March 31, 2023

Particulars	Note Ref.	As at Mar 31, 2023 (₹ Crores)	As at Mar 31, 2022 (₹ Crores)
ASSETS			
1. Non-current assets			
(a) Property, plant & equipment	3	2,435.63	2,104.97
(b) Capital work-in-progress	3A	114.31	293.37
(c) Goodwill	3B	7.77	7.77
(d) Other intangible assets	3C	16.31	20.09
(e) Intangible assets under development		8.71	3.78
(f) Right of use assets	33	18.95	20.26
(g) Financial assets			
(i) Investments in Subsidiary/ Joint Venture/ Associate	4	708.00	594.20
(ii) Other investments	4A	25.41	25.19
(iii) Loans	5	115.86	21.40
(iv) Others	6	70.19	68.83
(h) Other non-current assets	7	50.68	43.66
Total Non-current assets		3,571.82	3,203.52
2. Current assets			
(a) Inventories	8	1,660.13	1,779.54
(b) Financial assets			
(i) Investments	4B	323.32	719.31
(ii) Trade receivables	9	925.90	824.30
(iii) Cash and cash equivalents	10	1,183.70	230.03
(iv) Bank balances other than (iii) above	11	522.36	365.47
(v) Loans	5	1.03	7.48
(vi) Others	6	95.19	87.59
(c) Current tax assets (net)		-	-
(d) Other current assets	7	163.52	210.74
(e) Non current assets held for sale		-	10.46
Total Current assets		4,875.15	4,234.92
Total Assets		8,446.97	7,438.44
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	12	25.37	25.37
(b) Other equity	13	5,851.93	5,450.39
Total Equity		5,877.30	5,475.76
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	651.78	395.18
(ii) Lease Liability	33	13.81	10.93
(iii) Other financial liabilities	15	-	-
(b) Provisions	16	46.57	42.34
(c) Deferred tax liabilities (net)	17	179.45	158.51
(d) Other non-current liabilities	18	0.28	1.99
Total Non-current liabilities		891.89	608.95
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	770.83	365.83
(ii) Lease Liability	33	3.96	4.47
(iii) Trade payables:	20		
Dues of Micro & small enterprises		123.62	72.55
Dues of Others		327.22	419.40
(iv) Other financial liabilities	15	258.76	290.57
(b) Current tax liabilities (net)	21	21.75	15.77
(c) Provisions	16	107.87	101.38
(d) Other current liabilities	18	63.77	83.76
Total Current liabilities		1,677.78	1,353.73
Total Equity and Liabilities		8,446.97	7,438.44

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

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
Ajit Kumar Jain
Managing Director and CFO (DIN 00012657)
Pranay Godha
Managing Director and CEO (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837
Standalone Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note Ref.	2022-23 (₹ Crores)	2021-22 (₹ Crores)
I. Revenue from operations	22	5,814.62	5,438.30
II. Other income	23	111.19	52.92
III. Total income (I + II)		5,925.81	5,491.22
IV. Expenses:			
Cost of materials consumed	24	1,684.03	1,628.52
Purchase of stock-in-trade	25	280.91	283.36
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	104.09	(126.00)
Employee benefit expenses	27	1,193.39	1,102.14
Finance cost	28	43.92	7.24
Depreciation & amortization	29	228.63	209.65
Other expenses	30	1,640.35	1,312.20
Total expenses (IV)		5,175.32	4,417.11
V. Profit before exceptional items and tax (III-IV)		750.49	1,074.11
VI. Exceptional items		-	-
VII. Profit before tax (V-VI)		750.49	1,074.11
VIII. Tax expense	31		
1. Current tax		223.95	197.20
2. Short / (excess) provision of taxes for earlier years		-	0.08
3. Deferred tax liability / (asset)		20.84	244.79
			16.46
			213.74
IX. Profit for the period (VII-VIII)		505.70	860.37
X. Other comprehensive income			
A Items that will not be reclassified to profit or loss :			
a. Actuarial gain / (loss)		(2.75)	1.26
Tax effects thereon		0.70	(0.25)
b. Fair value change through Other Comprehensive Income		0.23	0.15
Tax effects thereon		(0.10)	-
B Items that will be reclassified to profit or loss:			
a. Exchange difference in translating the financial statement of foreign operation		(1.31)	(0.54)
Tax effects thereon		0.35	0.09
b. Gain/ (loss) on cash flow hedge		0.20	0.54
Tax effects thereon		-	(0.09)
Other comprehensive income for the year, net of tax		(2.68)	1.16
XI. Total comprehensive income for the year (IX+X)		503.02	861.53
XII. Earnings per equity share (Face value of ₹ 1/- each) :	32		
Basic (in ₹)		19.93	33.91
Diluted (in ₹)		19.93	33.91

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

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
Ajit Kumar Jain
Managing Director and CFO (DIN 00012657)
Pranay Godha
Managing Director and CEO (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

Standalone Cash Flow Statement for the year ended 31st March, 2023

	2022-23 (₹ Crores)	2021-22 (₹ Crores)
A. Cash Flow from Operating Activities		
1) Net profit before taxation	750.49	1,074.11
Adjustments for :		
Depreciation, amortization and impairment expense	228.63	209.65
(Profit) / Loss on sale of Property, plant & equipment	(16.05)	0.03
Net (gain)/ loss on financial asset through FVTPL	1.38	(2.76)
Property, plant & equipment scrapped/ transferred	2.84	11.36
Sundry balances written off/(back)	(1.71)	(3.18)
Provision for doubtful debts / advances	(0.28)	0.38
Provision for diminution in value of Investments	-	39.14
Bad debts written off	2.55	0.80
Unrealized foreign exchange (gain) / loss	18.57	(10.20)
Interest income	(73.76)	(31.30)
Interest expense	43.92	7.24
	206.09	221.16
2) Operating profit before working capital changes	956.58	1,295.27
Decrease / (Increase) in Inventories	119.41	(240.65)
Decrease / (Increase) in Trade Receivables	(101.31)	(38.91)
Decrease / (Increase) in Other Financial assets	15.09	4.24
Decrease / (Increase) in Other assets	37.56	(29.16)
Increase / (Decrease) in Trade Payables	(40.88)	(45.73)
Increase / (Decrease) in Other Financial liabilities	7.38	48.13
Increase / (Decrease) in Other liabilities	(21.70)	27.41
Increase / (Decrease) in Provisions	5.41	3.28
	20.96	(271.39)
3) Cash generated from operation	977.54	1,023.88
Income tax paid (net)	(215.25)	(192.16)
Net cash from operating activities	762.29	831.72
B. Cash Flow from Investing Activities		
Purchase of Property, plant & equipment including capital Work in progress and Intangible assets	(436.87)	(451.63)
Proceeds from Sale of Property, Plant and Equipment	36.15	3.83
Investment in subsidiaries	(68.46)	(57.41)
Investment in Associates & Joint Venture	(45.34)	(210.72)
Investment in others	-	(25.04)
Loan given - Associate & Joint Venture	(139.00)	(29.95)
Loan recovered- Associate & Joint Venture	46.46	89.83
Loan given - Others	(34.00)	(6.40)
Loan recovered - Others	38.40	-
Movement in other bank balances	(156.32)	(155.98)
Interest received	49.37	29.47
Net cash from (used in) investing activities	(709.61)	(814.00)
C. Cash Flow from Financing Activities		
Increase / (decrease) in short term borrowings	289.58	192.25
Receipt of long-term borrowings	391.69	413.70
Repayment of long-term borrowings	(28.25)	(66.72)
Payment of principal portion of Lease liability	(5.28)	(5.87)
Payment of Interest portion of Lease liability	(1.37)	(1.23)
Interest paid	(38.51)	(4.61)
Dividend & dividend tax paid	(101.48)	(101.48)
Net cash from (used in) financing activities	506.38	426.04
Net increase / (decrease) in cash and cash equivalents (A + B + C)	559.06	443.76
Cash and cash equivalents at beginning of year	945.77	499.86
Add : Acquisition through business combination - Amalgamation	-	2.15
Cash and cash equivalents at end of period	1,504.83	945.77
Components of cash & cash equivalents :		
Cash and cheques on hand	0.30	0.35
Balance with banks	1,183.40	229.68
Mutual Funds	323.32	719.31
Add / (Less) : Fair value loss/ (gain) on Mutual funds	(2.19)	(3.57)
	1,504.83	945.77

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
Ajit Kumar Jain
Managing Director and CFO (DIN 00012657)
Pranay Godha
Managing Director and CEO (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837
Standalone Statement of changes in equity for the year ended March 31, 2023
A. Equity Share Capital (Refer Note 12)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ Crores)	No. of Shares	(₹ Crores)
Balance at the beginning of the year	25,37,04,218	25.37	12,68,52,109	25.37
Changes in equity share capital during the year	-	-	12,68,52,109	-
Balance at the end of the year	25,37,04,218	25.37	25,37,04,218	25.37

B. Other Equity

Particulars	Other Equity									Total
	Reserves and Surplus					Amalgamation adjustment deficit account*	Other Comprehensive Income			
	Capital reserve	Securities premium	Other Reserves	Retained earnings	Equity Investments through OCI***		Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operation		
		Capital redemption reserve	General reserve							
Opening Balance as at 01.04.2021	6.59	96.52	0.26	1,310.00	3,316.31	-	-	(0.65)	(1.68)	4,727.35
Addition on account of Business Combination *	-	-	-	0.02	0.11	(37.14)	-	-	-	(37.01)
Restated balance at 01.04.2021	6.59	96.52	0.26	1,310.02	3,316.42	(37.14)	-	(0.65)	(1.68)	4,690.34
I) Profit for the year	-	-	-	-	860.37	-	-	-	-	860.37
II) Other Comprehensive Income(net of tax)	-	-	-	-	1.04**	-	0.12	0.45	(0.45)	1.16
III) Total Comprehensive Income (I+II)	-	-	-	-	861.41	-	0.12	0.45	(0.45)	861.53
Dividends	-	-	-	-	(101.48)	-	-	-	-	(101.48)
Balance as at 31.03.2022	6.59	96.52	0.26	1,310.02	4,076.35	(37.14)	0.12	(0.20)	(2.13)	5,450.39
I) Profit for the year	-	-	-	-	505.70	-	-	-	-	505.70
II) Other Comprehensive Income(net of tax)	-	-	-	-	(2.05)**	-	0.13	0.20	(0.96)	(2.68)
III) Total Comprehensive Income (I+II)	-	-	-	-	503.65	-	0.13	0.20	(0.96)	503.02
Dividends****	-	-	-	-	(101.48)	-	-	-	-	(101.48)
Balance as at 31.03.2023	6.59	96.52	0.26	1,310.02	4,478.52	(37.14)	0.25	0.00	(3.09)	5,851.93

* The Company has restated the previous year figures on account of the merger through common control and accordingly recorded the difference between the equity of the amalgamating companies and the value of investments in them as Amalgamation adjustment deficit account in accordance with Appendix C of Ind AS – 103 – Business Combination. Refer Note – 12 (vi).

** 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)

**** The Board of Directors, at its meeting held on November 11, 2022, had declared an interim dividend of ₹ 4/- per equity share of ₹ 1/- each. It resulted in an outflow of ₹ 101.48 crores.

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

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
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Pranay Godha
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Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

Standalone Statement of Significant Accounting Policies and Other Explanatory Notes

1. Corporate Information

Ipcalaboratories 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. During the year ended March 31, 2023 the Company has merged two wholly owned subsidiary Ramdev Chemicals Private Limited and Tonira Exports Limited with appointed date of April 1, 2022 on pooling of interest method of accounting as per Appendix C of IND AS 103 – Business Combinations as common control merger.

Authorization of Standalone Financial Statements

The Standalone Financial Statements were authorised for issue in accordance with a resolution of the Directors on May 29, 2023.

These financial statements can be amended by the board of directors till they are placed before the share holders and also by the share holders before their approval for adoption.

2. Basis of Preparation and Significant Accounting Policies

A. 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.

B. 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
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	At 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. The 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 inclusive of other overheads incurred in bringing such items of inventory to its present location and condition but excluding trade discounts, rebates and other similar items.

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 other than Trade Receivables which are initially recognized at transaction 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 9 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 at the amount of transaction price.

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) 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.

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 recognizes 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.

v) Recent pronouncements

Ministry of corporate affairs (MCA) notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued and amended from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

a) Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

b) Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “ monetary amounts in financial statements that are subject to measurement uncertainty” Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

3 Property, Plant & Equipment

Particulars	(₹ Crores)											Total					
	Freehold Land	Long -term Leasehold Land	Building	Plant & equipment	Office & other equipment	Effluent treatment plant	Furniture & Fixture	Vehicles	Lease Hold Improvement	R&D building	R&D equipment		R&D furniture				
Gross Block																	
As on April 01, 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			
Acquisition through business combination-Amalgamation	-	13.86	21.40	49.14	0.35	3.20	0.28	0.06	-	-	-	-	-	88.29			
Additions	8.08	0.34	102.56	257.25	3.84	20.96	4.93	3.76	-	0.65	22.11	0.15	-	424.63			
Disposals/Adjustments	(3.23)	-	(6.21)	(21.65)	(0.30)	-	(0.80)	(1.37)	-	(8.82)	1.30	-	-	(41.08)			
As on March 31, 2022	94.65	113.66	666.86	1,989.39	30.05	109.82	59.73	22.33	-	4.07	156.95	2.91	-	3,250.42			
Additions	1.87	-	85.82	404.32	3.55	17.78	7.44	7.68	0.79	0.03	24.85	0.18	-	554.31			
Disposals/Adjustments	(3.67)	-	(2.65)	(17.14)	(1.01)	(0.01)	0.02	(1.56)	-	(0.01)	(3.59)	(0.17)	-	(29.79)			
As on March 31, 2023	92.85	113.66	750.03	2,376.57	32.59	127.59	67.19	28.45	0.79	4.09	178.21	2.92	-	3,774.94			
Accumulated Depreciation / Amortisation																	
As on April 01, 2021	-	9.21	102.96	654.18	19.84	37.59	32.05	12.95	-	3.05	80.93	1.52	-	954.28			
Acquisition through business combination-Amalgamation	-	0.56	2.40	10.99	0.21	0.59	0.11	0.03	-	-	-	-	-	14.89			
Charge for the year	-	3.58	19.89	136.55	2.29	7.24	5.39	1.98	-	0.44	13.56	0.28	-	191.20			
Disposals/Adjustments	-	-	(1.36)	(10.00)	(0.27)	0.01	(0.51)	(1.24)	-	(2.27)	0.72	-	-	(14.92)			
As on March 31, 2022	-	13.35	123.89	791.72	22.07	45.43	37.04	13.72	-	1.22	95.21	1.80	-	1,145.45			
Charge for the year	-	3.59	23.00	149.44	2.30	8.03	5.75	2.50	0.09	0.19	15.03	0.24	-	210.16			
Disposals/Adjustments	-	-	(0.60)	(10.07)	(0.94)	(0.01)	0.01	(1.17)	-	-	(3.39)	(0.13)	-	(16.30)			
As on March 31, 2023	-	16.94	146.29	931.09	23.43	53.45	42.80	15.05	0.09	1.41	106.85	1.91	-	1,339.31			
Net Block as on March 31, 2022	94.65	100.31	542.97	1,197.67	7.98	64.39	22.69	8.61	-	2.85	61.74	1.11	-	2,104.97			
Net Block as on March 31, 2023	92.85	96.72	603.74	1,445.48	9.16	74.14	24.39	13.40	0.70	2.68	71.36	1.01	-	2,435.63			

Notes:

A Buildings include cost of shares in Co-operative societies.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

B The above includes the Company's investments in renewable source of energy for captive consumption. The details are as under:

(₹ Crores)

Particulars	Freehold Land	Building *	Equipment	Total
Gross Block				
As on April 01, 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
Additions	0.15	3.26	111.40	114.81
Disposals/Adjustments	-	-	-	-
As on March 31, 2023	10.11	3.37	146.54	160.02
Accumulated Depreciation/ Amortization				
As on April 01, 2021	-	-	1.18	1.18
Charge for the year	-	-	1.52	1.52
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	-	-	2.70	2.70
Charge for the year	-	-	1.53	1.53
Disposals/Adjustments	-	-	-	-
As on March 31, 2023	-	-	4.23	4.23
Net Block as on March 31, 2022	9.96	0.11	32.44	42.51
Net Block as on March 31, 2023	10.11	3.37	142.31	155.79

* Depreciation on building is ₹ 39,460/-

C Additions through business combination in 2021-22 is on account of the merger of Ramdev Chemical Private Limited and Tonira Exports Limited which is accounted as common control w.e.f April 1, 2021 as required by Appendix C to IND AS 103- Business Combination – Refer Note 12 (vi).

D 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 31.03.2023

(₹ 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	Leasehold Land	13.77	Ramdev Chemical Private Limited	No	Appointed date as per NCLT order 01.04.2022	Acquisition on Business Combination vide NCLT order. Name transfer work is in progress
	Buildings	21.37				
Property, plant & equipment	Leasehold Land	0.09	Tonira Exports Limited	No		
	Buildings	0.05				

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(ii) 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				

3A Capital-Work-in Progress (CWIP)

(i) Movement in Capital-Work-in Progress (CWIP) is as under:

(₹ Crores)

Sr. no.	Particulars	Opening balance	Addition on account of business combination	Addition during the year	Capitalized during the year	Closing balance
1	For the year 2022-23	293.37	-	375.25	(554.31)	114.31
2	For the year 2021-22	180.59	8.08	529.33	(424.63)	293.37

(ii) Capital-Work-in Progress (CWIP) as on 31.03.2023, 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	99.36	9.24	3.57	0.04	112.21
2	Projects temporarily suspended	-	0.06	0.20	1.84	2.10
	Total	99.36	9.30	3.77	1.88	114.31

(iii) Completion Schedule in respect of Capital-Work-in Progress (CWIP) as on 31.03.2023, 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)	Projects: Individual project costing less than ₹ 10 Crores at various manufacturing locations.	37.13	-	-	-	37.13
	Total	37.13	-	-	-	37.13
2	Projects Temporarily suspended:					
i)	Various small projects	0.24	-	-	1.84	2.08
	Total	0.24	-	-	1.84	2.08
	Grand Total	37.37	-	-	1.84	39.21

(iv) 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	249.91	38.95	2.04	-	290.90
2	Projects Temporarily suspended	-	-	0.56	1.91	2.47
	Total	249.91	38.95	2.60	1.91	293.37

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

- (v) 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 :

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	0.40	2.07	-	-	2.47
	Grand Total	66.50	2.07	-	-	68.57

3B 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 previous year.

Particulars	Amount
Gross Block	
As on April 1, 2021	23.61
Additions	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	7.77
Additions	-
Disposals/Adjustments	-
As on March 31, 2023	7.77
Accumulated Impairment	
As on April 1, 2021	15.84
Charge for the year	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	-
Charge for the year	-
Disposals/Adjustments	-
As on March 31, 2023	-
Net Block as on March 31, 2022	7.77
Net Block as on March 31, 2023	7.77

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

3C Other Intangible Assets

(₹ Crores)

Particulars	Software	Brand / Trade Mark	Know-How	Software - R&D	Total
Gross Block					
As on April 1, 2021	48.30	5.85	12.96	3.72	70.83
Acquisition through business combination-Amalgamation	0.81	-	0.05	-	0.86
Additions	6.53	-	-	0.63	7.16
Disposals/Adjustments	(2.45)	-	-	-	(2.45)
As on March 31, 2022	53.19	5.85	13.01	4.35	76.40
Additions	5.20	-	-	0.66	5.86
Disposals/Adjustments	(2.08)	-	-	(1.72)	(3.80)
As on March 31, 2023	56.31	5.85	13.01	3.29	78.46
Accumulated Depreciation / Amortisation					
As on April 1, 2021	33.27	5.44	7.82	3.22	49.75
Acquisition through business combination-Amalgamation	0.35	-	0.04	-	0.39
Charge for the year	6.41	-	1.88	0.33	8.62
Disposals/Adjustments	(2.45)	-	-	-	(2.45)
As on March 31, 2022	37.58	5.44	9.74	3.55	56.31
Charge for the year	7.27	-	1.87	0.36	9.50
Disposals/Adjustments	(2.02)	-	-	(1.64)	(3.66)
As on March 31, 2023	42.83	5.44	11.61	2.27	62.15
Net Block as on March 31, 2022	15.61	0.41	3.27	0.80	20.09
Net Block as on March 31, 2023	13.48	0.41	1.40	1.02	16.31

Range of remaining period of amortization as at March 31, 2023 of Intangible assets is as below :

(₹ Crores)

Assets	Range of remaining period of amortisation			Net Block
	< 5 year	5-10 year	>10 year	
Software	13.48	-	-	13.48
Brand / Trade Mark	0.41	-	-	0.41
Know-How	1.40	-	-	1.40
Software - R&D	1.02	-	-	1.02
Total	16.31	-	-	16.31

Range of remaining period of amortization as at March 31, 2022 of Intangible assets is as below :

(₹ Crores)

Assets	Range of remaining period of amortisation			Net Block
	< 5 year	5-10 year	>10 year	
Software	15.61	-	-	15.61
Brand / Trade Mark	0.41	-	-	0.41
Know-How	3.27	-	-	3.27
Software - R&D	0.80	-	-	0.80
Total	20.09	-	-	20.09

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

Additional disclosure in view of amendments to the Schedule III to the Companies Act, 2013 vide Notification dated 24th March, 2021:

(i) Movement in Intangible assets under development is as under:

(₹ Crores)

Sr. no.	Particulars	Opening balance	Addition on account of business combination	Addition during the year	Capitalized during the year	Closing balance
1	For the year 2022-23	3.78	-	10.79	(5.86)	8.71
2	For the year 2021-22	1.41	0.03	9.50	(7.16)	3.78

(ii) Intangible assets under development as on 31.03.2023, 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	7.40	1.31	-	-	8.71
Projects Temporarily suspended	-	-	-	-	-
Total	7.40	1.31	-	-	8.71

(iii) Completion Schedule in respect of Intangible assets under development as on 31.03.2023, 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	-	-	-	-	-
Total	-	-	-	-	-

(iv) 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	2.84	0.13	0.81	-	3.78
Projects Temporarily suspended	-	-	-	-	-
Total	2.84	0.13	0.81	-	3.78

(v) 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

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

4 Financial Assets - Investments

(₹ Crores)

Sr. no.	Particulars	As at March 31, 2023	As at March 31, 2022
4	Investments in subsidiary / joint venture / associate (At cost)		
(i)	Equity instrument in subsidiaries	102.93	92.34
(ii)	Preference shares in subsidiaries	301.55	243.68
(iii)	Equity instrument in joint venture	132.96	105.06
(iv)	Convertible Share Warrants in Joint venture	17.44	-
(v)	Investment in associates	208.77	208.77
(vi)	Provision for diminution in the value of equity investments	(55.65)	(55.65)
	Total	708.00	594.20
4A	Other Non-current investments		
(i)	Investment in equity (At FVTPL)	0.04	0.04
(ii)	Investment in LLP (At FVTOCI)	25.37	25.15
	Total	25.41	25.19
4B	Current investments (At FVTPL)		
(i)	Investment in mutual fund	323.32	719.31
	Total	323.32	719.31

4 Investment in Subsidiary / Joint Venture / Associate

Sr. no.	Name of the body corporate	Relationship	Face value	Extent of holding (%)		(₹ Crores)	
				No. of shares		As at March 31, 2023	As at March 31, 2022
				As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Non-Current Investment							
1	Investment in Subsidiaries						
i)	Investment in equity instruments (at cost - Unquoted)						
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	Trophic Wellness Pvt. Ltd.	Subsidiary (Associate upto 10 th June, 2021)	₹ 10	58.88%	52.35%	81.40	70.81
				23,84,600	21,20,000		
	Total					102.93	92.34
ii)	Investment in Preference Shares (at cost - Unquoted)						
1	Ipca Laboratories (U.K.) Ltd.,U.K. ##	Subsidiary	STG 1	100.00%	100.00%	19.31	10.26
				20,00,000	10,00,000		
2	Ipca Pharmaceuticals, Inc., USA##	Subsidiary	\$1000	100.00%	100.00%	282.24	233.42
				39,350	33,350		
	Total					301.55	243.68

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

Sr. no.	Name of the body corporate	Relationship	Face value	Extent of holding (%)		(₹ Crores)	
				No. of shares		As at	As at
				As at	As at	As at	As at
				March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
2	Investment in Joint Venture						
i)	Investment in Equity Instruments (at cost)						
1	Avik Pharmaceutical Ltd. - Unquoted	Joint Venture	₹ 100	50.00%	50.00%	6.95	6.95
				5,44,000	5,44,000		
2	Lyka Labs Ltd. - Quoted (Associate from 24th November 2021 and a Joint Venture w.e.f 8th August 2022) (The Shares acquired during the year are transferred in the name of Company on May 22, 2023)	Joint Venture	₹ 10	31.36%	26.58%	126.01	98.11
				96,24,923	76,24,923		
	Total					132.96	105.06
ii)	Investment in convertible Share Warrants (partly paid) (at cost - Unquoted)						
1	Lyka Labs Ltd. (Associate from 24th November 2021 and a Joint Venture w.e.f 8th August 2022)	Joint Venture	₹ 10	50,00,000	-	17.44	-
	Total					17.44	-
3	Investment in Associate						
i)	Investment in Equity Instruments (at cost)						
1	CCPL Software Pvt. Ltd. # - Unquoted	Associate	₹ 100	28.95%	28.95%	-	-
				55,000	55,000		
2	Krebs Biochemicals & Industries Ltd. - Quoted	Associate	₹ 10	49.65%	49.65%	78.77	78.77
				1,07,05,195	1,07,05,195		
ii)	Investment in preference shares (at cost)						
1	Krebs Biochemicals & Industries Ltd. - Unquoted (9% Non convertible, Redeemable & Non Cumulative Preference share)	Associate	₹ 100	100.00%	100.00%	130.00	130.00
				1,30,00,000	1,30,00,000		
	Total					208.77	208.77
	Total investments (1+2+3)					763.65	649.85
	Less : Provision for diminution in value in equity shares(refer table (4) below)					(55.65)	(55.65)
	Total non-current investments at cost (net of provision)					708.00	594.20

Cost fully written off in books.

Redeemable Preference Shares redeemable at the option of issuer.

4 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	As at
			March 31, 2023	March 31, 2022
1	Ipca Pharmaceuticals Inc., USA	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	51.82
	Total		55.65	55.65

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

5 Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments - Non Current	204.78	176.88
Aggregate market value of quoted investments - Non Current	161.15	256.91
Aggregate book value of unquoted investments - Non Current	541.43	472.97

6 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 Pishah 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 previous 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. During the current year Ipca has further invested in 6,000 preference shares of 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 become wholly owned subsidiary of this Company. During the year 2018-19, Onyx Scientific Ltd. has acquired 10% share capital of Pishah Laboratories Inc. USA. During the current year Ipca has further invested in 10,00,000 preference shares of Ipca Laboratories (U.K.) Ltd.,U.K.

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) 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 year 2021-22, the Company has acquired additional 11,000 shares. Now Company's holding in Avik Pharma is 50.00%.

h) 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, 20% during the year 2020-21 & additional 13.09% during the year 2021-22 in Trophic Wellness Pvt. Ltd and status of Trophic Wellness Pvt. Ltd. is changed from associate to subsidiary w.e.f 11th June 2021. Trophic Wellness Pvt. Ltd. is engaged in the manufacturing and marketing of nutraceuticals with its manufacturing unit situated in Sikkim. During the current year company has acquired additional 6.53% in Trophic Wellness Pvt. Ltd. resulting in total equity holding of 58.88%.

i) 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 in global markets. Krebs is listed on NSE and BSE and is headquartered in Vishakhapatnam, India with manufacturing plants in Nellore and Vishakhapatnam. 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 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 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.

j) Lyka Labs Limited

Lyka Labs Limited was incorporated in 1976. In the year 2021-22 the company has acquired 26.58% shareholding & during the year Company has acquired additional shareholding to the extent of 4.78% of Lyka resulting into total holding percentage to 31.36%. 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. During the previous year the company had entered into a joint management control agreement with the promoters of the said company and in current year appointed independent director w.e.f 8th August 2022, with this the status of Lyka Labs Limited has been changed from associates to Joint venture w.e.f 8th August 2022.

Convertible Share Warrants (partly paid)- During the year company has also been allotted 50,00,000 convertible share warrants of ₹ 10 each partly paid. These warrants are convertible into equity shares in one or more tranches, at the option of the allottee, within a period of 18 months of its allotment.

k) Disclosure required under Schedule III on utilization of borrowed funds and share premium :

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\$ 60,00,000 (₹ 48.82 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 extended loan of US\$ 15,00,000 to Bayshore. Ipca USA also invested in Redeemable Preference Shares of Pishgah aggregating to US\$ 35,00,000. 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.

l) 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.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**4A Other Long-term Investments**

Sr. no.	Name of the body corporate	Face Value	No. Of Shares		₹ Crores	
			As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
(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	0.04
3	BEIL Infrastructure Ltd. #	₹ 10	1,134	1,134	-	-
Total					0.04	0.04

Value of shares ₹ 11,340/-

The fair value of these investments are not determinable and are not material to these financial statements.

(ii) Investments at fair value through OCI (Unquoted)

Particulars	₹ Crores	
	As at March 31, 2023	As at March 31, 2022
Investment in ABCD Technologies LLP (refer note below)	25.37	25.15
Total	25.37	25.15

Aggregate value of investments

Particulars	₹ Crores	
	As at March 31, 2023	As at March 31, 2022
Aggregate book value of unquoted investments (i + ii)	25.41	25.19

Note: Investment in ABCD Technologies LLP :

During the previous 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. In terms of the 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.

4B Current Investments

Sr. no.	Name of the mutual fund scheme	No. Of Units		₹ Crores	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Quoted investment					
Investments at fair value through P&L (fully paid)					
A.	Investments in mutual fund				
	Aditya Birla Sun Life Liquid Fund- Regular - Growth	5,64,451	44,73,764	20.31	152.30
	Kotak Liquid Scheme - Growth	2,32,699	64,798	105.12	27.73
	Nippon India Liquid Fund-Growth	29,388	1,35,045	16.03	69.74
	INVESCO India Liquid Fund- Growth	87,390	68,874	26.81	20.01
	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

Sr. no.	Name of the mutual fund scheme	No. Of Units		₹ Crores)	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	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	1,05,355	1,68,598	40.33	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	46,828	1,59,353	16.61	53.39
	Nippon India Quarterly Interval Fund - Series 3 - Direct - Growth	-	1,73,87,008	-	30.08
	SBI Liquid Fund - Growth	8,689	18,204	3.04	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
	Axis Liquid Fund-Growth	1,88,644	-	46.86	-
	DSP Liquidity Fund-Growth	1,51,232	-	48.21	-
	Total current investments			323.32	719.31

Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments - Current	323.32	719.31
Aggregate market value of quoted investments - Current	323.32	719.31

4C Details of loans given, 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	2022-23	2021-22
1	Ipca Pharmaceuticals, Inc (USA)	Investment	Subsidiary	Preference Share contribution	48.82	36.21
2	Ipca Laboratories (U.K.) Ltd.,U.K	Investment	Subsidiary	Preference Share contribution	9.06	-
3	Krebs Biochemicals & Industries Ltd.	Loan	Associate	Loan given for business purpose	41.00	24.95
4	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Equity Share Contribution	-	16.68
5	Krebs Biochemicals & Industries Ltd.	Investment	Associate	Preference Share contribution	-	100.00
6	Trophic Wellness Pvt. Ltd.	Investment	Subsidiary	Equity Share Purchase	10.58	21.20
7	Avik Pharmaceutical Ltd.	Investment	Joint Venture	Equity Share contribution	-	0.11
8	Lyka Labs Ltd. - Quoted	Investment	Joint Venture	Equity Share contribution	27.90	98.11
9	Lyka Labs Ltd. - Unquoted	Investment	Joint Venture	Share warrant	17.44	-
10	Lyka Labs Ltd. - Quoted	Loan	Joint Venture	Loan given for business purpose	98.00	5.00

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ Crores)

Sr. no.	Name of the party	Nature	Relation	Purpose	2022-23	2021-22
11	Makers Laboratories Ltd.	Loan	Related Party	Loan given for business purpose	2.00	6.40
12	Resonance Specialties Ltd.	Loan	Related Party	Loan given for business purpose	2.00	-
13	Other non-related corporate body	Loan	Other non-related corporate body	Loan given for business purpose	30.00	35.00
Total					286.80	343.66

The disclosure under section 186(4) of the Act is made at transaction value before Ind AS effects.

5 Financial Assets - Loans (At Amortized Cost - Unsecured)

(₹ Crores)

Sr. no.	Particulars	As at March 31, 2023		As at March 31, 2022	
		Non Current	Current	Non Current	Current
(a)	Loans to related parties - considered good	115.32	-	20.78	6.40
(b)	Others:				
	Loans given to employees- considered good	0.54	1.03	0.62	1.08
Total		115.86	1.03	21.40	7.48

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, 2023	Maximum outstanding during the year 2022-23	Balance as at March 31, 2022	Maximum outstanding during the year 2021-22
i)	Krebs Biochemicals & Industries Ltd. - Associate	43.00	43.00	2.00	79.93
ii)	Avik Pharmaceutical Ltd. - Joint Venture	12.32	13.78	13.78	14.18
iii)	Makers Laboratories Ltd.- Related Party	2.00	6.40	6.40	6.40
iv)	Resonance Specialties Limited - Related Party	-	2.00	-	-
v)	Lyka Labs Ltd.- (Associate from 24th November 2021 and Joint Venture w.e.f 8th August 2022)	58.00	103.00	5.00	5.00
Total		115.32	168.18	27.18	105.51

- b) Disclosure u/s 186(4) of the Companies Act 2013 is made under Investment schedule vide Note reference - 4C
- c) 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.
- d) 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:

The loans given without Stipulation is as follows:

(₹ Crores)

Type of Borrower	As on 31.03.2023		As on 31.03.2022	
	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
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	12.32	10.54%	13.78	47.71%

6 Financial Assets - Others (At Amortized Cost)

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non Current	Current
Deposits:				
Considered good				
- With related party	42.50	-	39.35	-
- With others	19.02	0.97	15.72	1.06
Which have significant increase in Credit Risk	-	-	-	-
	61.52	0.97	55.07	1.06
Less : Provision for expected credit loss	-	-	-	-
	61.52	0.97	55.07	1.06
Advances to employees				
- Considered good	-	1.18	-	0.92
- Credit impaired	-	0.33	-	0.45
	-	1.51	-	1.37
Less : Provision for expected credit loss	-	(0.33)	-	(0.45)
	-	1.18	-	0.92
Deposits with others	1.20	-	0.82	-
Other income receivables	0.04	5.00	5.03	0.48
Interest accrued receivable from Banks	-	22.92	-	1.47
Interest accrued receivable from related party	-	7.30	-	7.15
Claim receivables	-	39.49	-	45.62
Unbilled revenue	-	7.09	-	7.22
Forward contract gain receivable	-	0.24	-	12.67
Term deposits with Banks *	7.43	11.00	7.91	11.00
Total	70.19	95.19	68.83	87.59

* Term deposit of ₹ 11.00 crores (previous year ₹ 11.00 crores) has been provided as security by way of lien with RBL Bank 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.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**7 Other Non-Financial Assets**

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non Current	Current
(i) Capital advances (Unsecured, considered good)	37.04	-	39.52	-
(ii) Prepaid expenses	1.49	26.68	1.73	15.89
(iii) Deposits with Govt. departments*				
- Considered good	11.46	0.06	0.86	8.37
(iv) Unutilized Indirect tax credit	-	57.12	-	94.49
(v) Advance to suppliers	-	25.10	-	27.26
(vi) Export benefits receivables	-	9.18	-	17.17
(vii) Advances to employees	-	2.80	-	2.73
(viii) Others	-	0.23	0.01	1.91
(ix) Duties and taxes refundable	-	42.35	0.69	42.92
(x) Prepaid taxes (net of provisions)	0.69	-	0.85	-
Total	50.68	163.52	43.66	210.74

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.

* Deposit with Govt. departments comprises of deposits paid under protest.

8 Inventories

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
i) Raw materials				
In hand	555.39		542.16	
In transit	90.97	646.36	134.71	676.87
ii) Packing materials				
In hand	57.58		48.99	
In transit	0.47	58.05	-	48.99
iii) Work-in-progress		324.27		349.58
iv) Finished goods				
In hand				
Own	511.10		551.95	
Traded	57.28	568.38	76.81	628.76
In transit				
Own	19.69		36.94	
Traded	0.90	20.59	2.05	38.99
v) Stores, spares and others		42.48		36.35
Total		1,660.13		1,779.54

All the above inventory other than stores & spares are hypothecated to the lenders as security towards short-term borrowings.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

The disclosure of inventories recognized as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Amount of inventories recognized as an expense during the period	2,124.55	1,846.85
(ii) Amount of write - down of inventories recognized as an expense during the period	9.54	5.97
Total	2,134.09	1,852.82

9 Financial Assets - Trade Receivables (At Amortized Cost - Unsecured)

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good :	925.90	824.30
Which have significant increase in credit risk	0.45	0.92
Credit impaired	0.23	0.34
	926.58	825.56
Less : Provision for expected credit loss	(0.68)	(1.26)
Total	925.90	824.30

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, 2023	As at March 31, 2022
Default rate - local	0.55%	0.57%
Default rate - export	0.27%	0.57%

Movement in the expected credit loss allowance

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	(1.26)	(0.81)
Movement in expected credit loss allowance on trade receivables	0.58	(0.45)
Provision at the end of the period	(0.68)	(1.26)

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**Trade Receivables as on 31.03.2023, 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	808.78	102.58	9.10	5.20	0.24	-	925.90
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.42	0.02	0.01	-	-	0.45
(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	-	-	-	-	0.13	0.10	0.23
Total	808.78	103.00	9.12	5.21	0.37	0.10	926.58

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	675.40	140.57	5.38	2.05	0.97	-	824.37
(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
Total	675.40	141.37	5.41	2.24	1.04	0.10	825.56

10 Financial Assets - Cash & Cash Equivalents

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
In Current Accounts	21.40	26.68
Deposit with original maturity of less than three months	1,162.00	203.00
Cash on hand	0.30	0.35
Total	1,183.70	230.03

Note: Balance with bank in current account as on March 31, 2023 includes balance with one bank account of erstwhile Noble Explochem Limited aggregating to ₹ 15,608/- (previous year ₹18,768/-) where change of account name in Company's name is in process. Further, ₹ Nil/- (previous year ₹ 3,593/-) is lying in bank A/C - "CIRP Account Noble Explochem Limited" opened by Resolution Professional now operated by the Company.

11 Financial Assets - Bank balances other than (10) above

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed dividend accounts	1.40	1.29
Balances with banks:		
Fixed Deposit with Bank	520.96	364.18
Total	522.36	365.47

12 Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Authorized capital *				
Equity shares of ₹ 1 each	57,60,00,000	57.60	57,00,00,000	57.00
Issued & subscribed				
Equity Shares of ₹ 1 each	25,62,66,408	25.63	25,62,66,408	25.63
Paid up equity shares of ₹ 1 each (Refer Note no. 12(v) below)	25,37,04,218	25.37	25,37,04,218	25.37
Total		25.37		25.37

* Authorized capital has been enhanced pursuant to merger of Ramdev Chemical Private Limited and Tonira Exports Limited. Refer note 12 (vi) below

Disclosures:
i) Reconciliation of Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Shares outstanding at the beginning of the year (Face value of ₹ 1 each)	25,37,04,218	25.37	12,68,52,109	25.37
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 12(v) below)	-	-	12,68,52,109	-
Shares outstanding at the end of the year	25,37,04,218	25.37	25,37,04,218	25.37

ii) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held (Face value of ₹ 1 each)	%	Number of shares held (Face value of ₹ 1 each)	%
Kaygee Investments Private Limited	5,44,78,390	21.47%	5,44,78,390	21.47%
Kaygee Laboratories Private Limited	1,67,70,000	6.61%	1,67,70,000	6.61%
Chandurkar Investments Private Limited	1,39,56,010	5.50%	1,39,56,010	5.50%
DSP Mid Cap Fund	1,39,83,189	5.51%	1,30,20,120	5.13%
HDFC Trustee company Ltd-A/c Hdfc Mid Cap opportunities Fund	1,39,37,619	5.49%	-	-

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

iii) Rights and obligations of shareholders

The Company has only one class of share referred as equity shares having a par value of ₹ 1/- 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 if recommended by management 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 31.03.2023			Shares held by promoters at the end of the year 31.03.2022		
		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%	-	5,44,78,390	21.47%	-
2	Chandurkar Investments Pvt. Ltd.	1,39,56,010	5.50%	-	1,39,56,010	5.50%	-
3	Kaygee Laboratories Pvt. Ltd.	1,67,70,000	6.61%	-	1,67,70,000	6.61%	-
4	Paschim Chemicals Pvt. Ltd.	1,01,38,000	4.00%	-	1,01,38,000	4.00%	-
5	Xbees Traders LLP (Formerly Paranthapa Investments and Traders Pvt. Ltd.)	31,000	0.01%	-	31,000	0.01%	-
6	Makers Laboratories Ltd.	960	0.00%	-	960	0.00%	-
7	M. R. Chandurkar	-	-	-1.70%	43,02,000	1.70%	-
8	Usha M. Chandurkar	83,02,000	3.27%	1.70%	40,00,000	1.58%	-
9	Sameer M. Chandurkar	20,00,000	0.79%	-	20,00,000	0.79%	-
10	Premchand Godha	58,14,680	2.29%	-	58,14,680	2.29%	-
11	Usha P. Godha	24,18,740	0.95%	-	24,18,740	0.95%	-
12	Prashant Godha	15,68,644	0.62%	-	15,68,644	0.62%	-
13	Pranay Godha	17,00,990	0.67%	-	17,00,990	0.67%	-
14	Kalpana Jain	2,30,000	0.09%	-	2,30,000	0.09%	-
15	Bhawna Godha	5,000	0.00%	-	5,000	0.00%	-
16	Neetu Godha	4,000	0.00%	-	4,000	0.00%	-
17	Nirmal Jain	-	0.00%	-	-	0.00%	-
18	Mexin Medicaments Pvt. Ltd.	14,058	0.01%	-	14,058	0.01%	-
	Total	11,74,32,472	46.29%		11,74,32,472	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.

vi) Disclosure as required by Ind AS 103 Business Combination

A Merger of Ramdev Chemical Private Limited and Tonira Exports Limited with Ipca Laboratories Limited

Pursuant to the Scheme of Merger ('the Scheme') of Ramdev Chemical Private Limited (Ramdev) and Tonira Exports Limited (Tonira) with Ipca Laboratories Limited (Ipca) under the provisions of Sections 230 to 232 of the Companies Act, 2013 which has been approved by the National Company Law Tribunal vide their order delivered on 27th April 2023, which has been filed with the Registrar of Companies on May 23, 2023, to make the Scheme effective. All the assets and liabilities, both movable and immovable, all other interest, rights and power of every kind, and all its debts, liabilities, including contingent liabilities, duties and obligations have been transferred to and vested in the Transferee company with effect from the Appointed Date 1st April 2022. Accordingly, the Scheme has been given effect to in these accounts. Since the Business Combination is of entities under common control in accordance with the Appendix C of Ind AS 103, the financial information in the financial

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the Company has accounted for the Scheme in its books of accounts with effect from 1st April 2021 as required by Appendix C of Ind AS 103 "Business Combination". Figures for financial year 2021-22 are accordingly restated to give effects of the merger.

- B Issue of Shares/Consideration:** Since Ramdev Chemical Private Limited and Tonira Exports Limited are the wholly owned subsidiaries of the Company, there was no exchange/issue of shares by the Company to the shareholders of Ramdev Chemical Private Limited and Tonira Exports Limited.

C Salient Features of the Scheme of Merger by Absorption

(i) Description of Company and Background of Ramdev Chemical Private Limited

Ramdev Chemical Private Limited (CIN: U24200MH1999PTC120863) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at Plot No.142-AB, Kandivali Industrial Estate, Kandivali (West), Mumbai City, MH 400067 IN. The Transferor Company is a pharmaceutical company manufacturing in all forms, heavy chemicals of all kinds, (Solid, liquid, gaseous), bulk drugs, medicinal and pharmaceuticals products. The products of the Company are sold in and outside India. The Company has a manufacturing unit in India at Tarapur (Maharashtra) for manufacturing of Active Pharmaceutical Ingredients (Bulk Drugs) (APIs).

(ii) Description of Company and Background of Tonira Export Limited

Tonira Export Limited (CIN: U51909MH1995PLC248308) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at 142AB, Kandivali Industrial Estate Kandivali (West), Mumbai City, MH 400067 IN. The Transferor Company currently is not engaged in any active business. The Company was the wholly owned subsidiary of Tonira Pharma Ltd. and became wholly owned subsidiary of Ipca laboratories Limited (Transferee Company) upon merger of the said Tonira Pharma Ltd. with Ipca Laboratories Ltd. (Transferee Company) in April, 2012.

(iii) Appointed date

The appointed date for the purpose of this amalgamation is 1st April 2022.

(iv) Accounting Treatment

In accordance with the scheme approved, the accounting for this amalgamation has been done in accordance with the "Pooling of Interest Method" referred to in Appendix C - Business combinations of entities under common control of Indian Accounting Standard 103- "Business Combination" of the Companies (Indian Accounting Standards) Rules, 2015.

- D** Ipca has accounted for the Scheme in its books of accounts with effect from 1st April 2021 as explained in para (vi) A above and accordingly has restated prior period comparative.

- (i) With effect from 01st April 2021, all assets and liabilities appearing in the books of accounts of Ramdev and Tonira have been transferred to and vested in Ipca and have been recorded by Ipca at their respective carrying values.
- (ii) The difference between the carrying values of net identifiable assets and liabilities of Ramdev Chemical Private Limited transferred to Ipca Laboratories Limited pursuant to this scheme and the value of investments in the books of Ipca Laboratories Limited has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103.

In the case of Tonira Exports Limited, there was no difference between the carrying values of net identifiable assets and liabilities and the equity. However the existing reserves have retained their character on merger with Ipca.

- (iii) All inter company transactions have been eliminated on incorporation of the accounts of Ramdev Chemical Private Limited and Tonira Exports Limited in Ipca Laboratories Limited.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

E Disclosure in accordance with Appendix C of IND AS 103- Business combinations of entities under common control:

*	Names and general nature of business of the combining entities	<p>Ramdev Chemical Private Limited (CIN: U24200MH1999PTC120863) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at Plot No.142-AB, Kandivali Industrial Estate, Kandivali (West) Mumbai City MH 400067 IN. The Transferor Company is a pharmaceutical company manufacturing in all forms, heavy chemicals of all kinds, (Solid, liquid, gaseous), bulk drugs, medicinal and pharmaceuticals products. The products of the Company are sold in and outside India. The Company has a manufacturing unit in India at Tarapur (Maharashtra) for manufacturing of Active Pharmaceutical Ingredients (Bulk Drugs) (APIs).</p> <p>Tonira Exports Limited (CIN: U51909MH1995PLC248308) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at 142AB, Kandivali Industrial Estate Kandivali (West) Mumbai City MH 400067 IN. The Transferor Company currently is not engaged in any active business. The Company was the wholly owned subsidiary of Tonira Pharma Ltd. and became wholly owned subsidiary of Ipca laboratories Limited (Transferee Company) upon merger of the said Tonira Pharma Ltd. with Ipca Laboratories Ltd. (Transferee Company) in April, 2012.</p> <p>Ipca Laboratories Limited (CIN:L24239MH1949PLC007837) is a listed public limited company incorporated under the Companies Act, 1913 having its registered office at 48 Kandivali Industrial Estate Kandivali (W) Mumbai, 400067 Maharashtra, India. The Transferee Company was originally incorporated to engage in the business of manufacturing and marketing of drugs and pharmaceuticals, chemicals, cosmetics and toiletries products on October 19, 1949 under the Companies Act, 1913, with the Registrar of Companies, Maharashtra, Mumbai as 'The Indian Pharmaceutical Combine Association Limited'. The name of the Company was changed to 'Ipca Laboratories Limited'.</p>		
*	The date on which the transferee obtains control of the transferor	The transferors were already wholly owned subsidiaries of the transferee and control existed from a prior date. The appointed date as per scheme is April 1, 2022.		
*	Description and number of shares issued, together with the percentage of each entity's equity shares exchanged to effect the business combination	No shares were exchanged / issued.		
The amounts recognized as of the acquisition date for each major class of assets acquired and liabilities assumed.	Assets Recognized	(₹ Crores)		
	Particulars	Ramdev	Tonira	
	Property , Plant and Equipment	73.27	0.13	
	Non Current Assets	6.36	-	
	Deferred Tax Assets	-	0.03	
	Current Assets	31.07	-	
	Cash and Cash Equivalent	0.75	0.07	
	Other Bank Balance	0.35	-	
	Total Assets	111.80	0.23	
	Liabilities Recognized	Non Current Liabilities	1.27	-
	Current Liabilities	31.89	-	
	Deferred Tax Liabilities	7.07	-	
	Total Liabilities	40.23	-	
	Consideration Paid	108.72	0.10	
Amalgamation Adjustment Deficit Account	37.14	-		

*	The amount of any difference between the consideration and the value of net identifiable assets acquired, and the treatment thereof	The difference between the carrying values of net identifiable assets and liabilities of Ramdev Chemical Private Limited transferred to Ipca Laboratories Limited pursuant to this Scheme and the value of consideration paid, amounting to ₹ 37.14 Crores has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103.
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13 Other Equity

(₹ Crores)

Particulars		As at March 31, 2023		As at March 31, 2022	
(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		1,310.02		1,310.02
(e)	Retained earnings		4,478.52		4,076.35
(f)	Amalgamation adjustment deficit account		(37.14)		(37.14)
(g)	OCI reserve				
	- Fair Value of Investments through OCI	0.25		0.12	
	- Cash flow hedging reserve	-		(0.20)	
	- Foreign currency translation reserve	(3.09)	(2.84)	(2.13)	(2.21)
Total			5,851.93		5,450.39

Nature and purpose of each reserve

(a) Capital Reserve

During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

(b) Securities Premium

The amount received in excess of face value of the equity shares is recognized 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 utilized in accordance with the provisions of the Companies Act, 2013.

(c) Capital Redemption Reserve

The Company has recognized 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.

(d) 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.

(e) 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.

(f) Amalgamation adjustment deficit

The difference between the carrying values of net identifiable assets and liabilities of the transferor Company transferred to the transferee Company pursuant to the Scheme and the value of consideration paid, has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103, Business Combination of Entities under common control.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**(g) 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 recognized 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.

(h) 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.

14 Financial Liabilities - Borrowings**a) Long-term Borrowings - Secured**

(₹ Crores)

Particulars	Non - current portion		Current Maturities (read with note no.19)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
i. Foreign currency term loan	92.45	22.74	30.82	9.47
ii. Rupee Term Loan	559.33	372.44	113.11	18.78
Total (a)	651.78	395.18	143.93	28.25

Details of above:-

(₹ Crores)

Sr. No.	Nature of Loan/ Institutions	Non - current portion		Current Maturities	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
i.	Foreign currency term loans				
	- ECB-JP Morgan Chase Bank, Singapore	92.45	22.74	30.82	-
	- Citibank N.A., Jersey	-	-	-	9.47
ii.	Rupee Term Loan				
	- HDFC Bank Ltd.	559.33	372.44	113.11	18.78
Total		651.78	395.18	143.93	28.25

b) 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 secured by way of an exclusive charge on Solar and Wind projects of the company.

Repayable in 16 quarterly equal installments of USD 9,37,500 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.

The entire loan from Citi bank is repaid in the current year.

(ii) Rupee Term Loan (Secured)

1 Term Loan-I - HDFC Bank Ltd.

Secured by first pari-passu charge over current and future movable property, plant and equipment's of the Company except solar and wind projects. Repayable in 20 quarterly installments from June 14, 2022.

(₹ Crores)

Financial Year	Amounts per quarter
2022 - 2023	4.69
2023 - 2027	23.28

2 Term Loan-II - HDFC Bank Ltd.

Secured by pari-passu first charge on all present and future movable property, plant and equipment's except solar and wind projects. Movable property, plant and equipment's including but not limited to plant and machinery, spares, tools and accessories, and excluding any fixed assets already charged to other lenders.

Repayment in 20 quarterly installments from June 27, 2023.

(₹ Crores)

Financial Year	Amounts per quarter
2023 - 2024	5.00
2024 - 2028	17.50

c) Term loans taken during the year, have been used for the specific purpose for which it was taken.

d) Maturity profile of borrowings is as per the original sanction terms without Ind AS effects.

(₹ Crores)

Particulars	March 31, 2023	March 31, 2022
Installment payable within 1 year	143.93	28.25
Installment payable between 1 to 2 years	387.85	197.59
Installment payable between 2 to 5 years	263.93	197.59
Installment payable beyond 5 years	-	-
Total	795.71	423.43

e) The long-term loans are taken at the following rates.

Particulars	As at March 31, 2023	As at March 31, 2022
	Interest Band	
Rupee Term Loan-I	3 months TBILL + 0.94%	3 months TBILL + 0.94%
Rupee Term Loan-II	1 month TBILL + 1.10%	-
Foreign currency loan	3 Month Term SOFR + 0.90%	3 Month Term SOFR + 0.60% to 0.90%

f) Registration of charges or satisfaction with Registrar of Company

Registration of charges

As at March 31st, 2023, the company has registered all charges duly with Registrar of the Companies in favor of the lenders except in respect of term loan from HDFC bank Ltd sanctioned and disbursed in March 2023. As per sanction letter, the security shall be created within 6 months from the date first disbursement.

Satisfaction of charges

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 have communicated or demanded any outstanding amount from the Company. The summarized details are as under:

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

No. of Cases	Aggregate Amount (₹ Crores)	Period range	Reason
20	58.15	1961-2005	Old cases-Records not available/being taken up with lenders.
8	42.26	1972-2010	Necessary form filed, however, ROC records not updated.

g) Reconciliation of cash flows from financing activities as per Ind AS 7

(₹ Crores)

Particulars	Lease liabilities	Interest	Long term borrowings	Short term borrowings
Balance as on April 1, 2021	13.05	0.13	9.13	214.07
Interest accrued	1.23	5.46	-	-
Changes from financing cash flows	(7.10)	(4.61)	346.98	192.25
Exchange (gain) / loss	-	-	0.60	(2.14)
Addition during the year	8.22	-	-	-
Transfer within categories	-	-	38.47	(38.35)
Non cash changes	-	(0.12)	-	-
Closing balance as on March 31, 2022	15.40	0.86	395.18	365.83
Interest accrued	1.36	41.50	-	-
Changes from financing cash flows	(6.65)	(38.51)	363.44	289.58
Exchange (gain) / loss	-	-	8.84	(0.26)
Addition during the year	7.66	-	-	-
Transfer within categories	-	-	(115.68)	115.68
Non cash changes	-	-	-	-
Closing balance as on March 31, 2023	17.77	3.85	651.78	770.83

15 Other Financial Liabilities

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Deposits from customers	-	1.16	-	1.19
Interest accrued	-	3.85	-	0.86
Unpaid dividends	-	1.40	-	1.29
Amount payable on hedging transactions	-	11.03	-	-
Payable for capital goods	-	68.92	-	122.24
Employees liability	-	78.17	-	67.93
Provision for expenses	-	80.77	-	97.06
Other liabilities	-	13.46	-	-
Total	-	258.76	-	290.57

16 Provisions

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Gratuity	1.40	1.83	1.17	1.66
Compensated absences	45.17	6.97	41.17	6.12
Other employee related provision	-	5.06	-	2.22
Provision for breakage/damage	-	4.68	-	6.15
Provision for product expiry	-	75.39	-	71.50
Provision for sales return	-	11.38	-	13.73
Provision for tax (net of prepaid)	-	2.56	-	-
Total	46.57	107.87	42.34	101.38

16.1 The disclosure of provisions movement as required by Ind AS 37 is as follows:-
(₹ Crores)

Particulars		2022-23	2021-22
(i)	Provision for breakage/damage		
	Balance at the beginning of the period	6.15	6.51
	Provisions made during the period	7.06	8.06
	Utilizations during the period	(8.53)	(8.42)
	Provision at the end of the period	4.68	6.15
(ii)	Provision for product expiry		
	Balance at the beginning of the period	71.50	62.22
	Provisions made during the period	52.53	51.68
	Utilizations during the period	(48.64)	(42.40)
	Provision at the end of the period	75.39	71.50
(iii)	Provision for sales return		
	Balance at the beginning of the period	13.73	14.50
	Provisions made during the period	31.06	36.14
	Utilizations during the period	(33.41)	(36.91)
	Provision at the end of the period	11.38	13.73
(iv)	Provision for wage arrears under negotiation		
	Balance at the beginning of the period	2.22	12.98
	Provisions made during the period	2.84	0.39
	Utilizations during the period	-	(11.15)
	Provision at the end of the period	5.06	2.22

16.2 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 recognized 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.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**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.

Particulars	(₹ Crores)	
	As at March 31, 2023	As at March 31, 2022
Expense recognized in statement of profit & loss		
Current service cost	10.64	10.11
Interest expense	6.81	5.65
Expected return on plan assets	(7.00)	(6.00)
Total	10.45	9.76
Expense recognized in Other Comprehensive Income		
Return on plan assets (greater)/less than discount rate	(0.02)	(1.11)
Actuarial (gain)/loss due to experience on defined benefit obligation (DBO)	2.77	(0.15)
Total	2.75	(1.26)
Present value of funded defined benefit obligation	112.29	99.71
Fair value of plan assets	(109.06)	(96.88)
Funded status	3.23	2.83
Net defined benefit (asset) / liability	3.23	2.83
Movements in present value of DBO		
Present value of defined benefit obligation at the beginning of the year	99.71	90.75
Current service cost	10.64	10.11
Interest cost	6.81	5.65
Actuarial (gain)/loss	2.77	(0.15)
Benefits paid	(7.64)	(6.65)
Present value of defined benefit obligation at the end of the year	112.29	99.71
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	96.88	88.25
Expected returns on plan assets	7.00	6.00
Remeasurement (gains)/losses:		
Actuarial gain/(loss) on plan assets	0.02	1.11
Contribution from Employer	12.63	8.05
Benefits paid	(7.48)	(6.53)
Closing fair value of the plan assets	109.05	96.88
Remeasurement effect recognized on Other Comprehensive Income		
Actuarial (gain)/loss arising from experience adjustments	2.77	(0.15)
Actuarial (gain)/loss on plan assets	(0.02)	(1.11)
Total actuarial (gain)/loss included in OCI	2.75	(1.26)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

The principal assumptions used as at the balance sheet date for the purpose of actuarial valuations were as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assumptions		
Discount rate	7.52%	7.23%
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, 2023	As at March 31, 2022
Defined Benefit Obligation		
Discount rate		
a. Discount rate - 100 basis points	120.52	107.39
b. Discount rate + 100 basis points	105.08	93.01
Salary increase rate		
a. Rate - 100 basis points	104.92	93.31
b. Rate + 100 basis points	120.56	106.91

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 recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The gratuity liability for employees who are transferred under the scheme of merger is unfunded. The closing liability for the transferred employees is ₹ 1.49 Crores. (Current- ₹ 0.09 Crores and Non -current- ₹ 1.40 Crores).

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

17 Deferred Tax Liabilities (Net)

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
Deferred tax liabilities on account of :				
Property, plant and equipment and ROU Assets	197.32		259.99	
Fair value of investments	0.65	197.97	-	259.99
Deferred tax asset on account of :				
Compensated absences	13.12		16.46	
Bonus expenses	0.76		1.49	
Lease Liability	4.47		5.38	
Trade Receivables	0.17		0.20	
MAT credit available *	-		72.46	
Unabsorbed Tax losses	-	18.52	5.49	101.48
Net deferred tax liability		179.45		158.51

*The Government of India had issued the Taxation Laws (Amendment) Act, 2019, which provides domestic companies an option to pay corporate tax at reduced rates effective from April 1, 2019 subject to certain conditions. The Company, in the quarter ended June 30, 2022, has decided to opt for a lower tax regime under section 115BAA (New Scheme) with effect from this financial year. In view of the same, outstanding MAT credit balance, which would not be available for set-off in future under the lower tax regime, has not been considered and the liability is reassessed at the new tax regime rate. As a result of the adoption of the New Scheme, net charge to the profit and loss is ₹ 8.76 crores (MAT credit charged off ₹ 72.46 Crores and Rate change impact ₹ 63.70 Crores) which has been effected in the year ended March 31, 2023. Provision for Current tax and deferred tax has been considered accordingly.

18 Other Non-Financial Liabilities

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Security deposit	-	-	1.56	-
Advance from customers - Contract Liability	-	27.25	-	26.73
Deferred Income	0.28	0.15	0.43	0.15
Duties & taxes payable	-	28.80	-	49.92
Other Payables	-	7.57	-	6.96
Total	0.28	63.77	1.99	83.76

19 Financial Liabilities - Short - term Borrowings

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
(i) Secured Loans:				
Working capital loan from banks *		62.20		131.14
Current maturities of long-term debt (refer note no.14)		143.93		28.25
(ii) Unsecured Loans:				
Working capital loan from banks		564.70		206.44
Total		770.83		365.83

- 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.

20 Financial Liabilities - Trade Payables

(₹ Crores)

Particulars		As at March 31, 2023	As at March 31, 2022
a)	Trade payables for goods and services:		
-	Total outstanding dues of Micro and small enterprises	123.62	72.55
-	Others	286.87	357.33
b)	Acceptances	40.35	62.07
Total		450.84	491.95

Trade payables (other 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 MSME Act, 2006

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due	123.62	72.55
Interest due on above	0.06	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	4.31	6.91
- Interest paid thereon	-	-
Amount of interest due and payable for the period of delay	0.02	0.03
Amount of interest accrued and remaining unpaid as at year end	0.08	0.04
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 31.03.2023, 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	121.58	2.04	-	-	-	123.62
(ii) Others	208.85	110.40	7.22	0.11	0.53	327.11
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.03	0.08	0.11
Total	330.43	112.44	7.22	0.14	0.61	450.84

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	71.86	0.69	-	-	-	72.55
(ii) Others	352.46	64.53	1.47	0.63	0.09	419.18
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.18	0.04	0.22
Total	424.32	65.22	1.47	0.81	0.13	491.95

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**21 Current Tax Liabilities (Net)**

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (net of taxes paid)	21.75	15.77
Total	21.75	15.77

22 Revenue from Operations (Net)

(₹ Crores)

Particulars	2022-23	2021-22
Sale of products	5,770.73	5,368.17
Sale of services	6.45	6.93
Other operating revenues:		
Export incentives	5.93	30.16
Sundry balances w/back	1.71	3.18
Miscellaneous income	29.80	29.86
Total	5,814.62	5,438.30

22.1 Disclosure relating to disaggregation of revenue in terms of Ind AS-115

(₹ Crores)

Particulars	2022-23			
	Branded Generics	Generics	APIs	Total
A Domestic	2,760.71	-	373.05	3,133.76
B Exports				
Europe	139.85	346.26	273.53	759.64
Africa	53.96	362.80	55.05	471.81
Americas	48.28	114.89	297.79	460.96
Asia (Excluding India)	74.44	36.38	341.52	452.34
CIS	187.56	0.88	32.53	220.97
Australasia	0.70	273.19	3.81	277.70
Total (B)	504.79	1,134.40	1,004.23	2,643.42
Total (A+B)	3,265.50	1,134.40	1,377.28	5,777.18

(₹ Crores)

Particulars	2021-22			
	Branded Generics	Generics	APIs	Total
A Domestic	2,508.27	-	358.70	2,866.97
B Exports				
Europe	116.04	320.45	232.76	669.25
Africa	50.75	359.10	62.00	471.85
Americas	41.09	121.71	340.48	503.28
Asia (Excluding India)	74.32	24.59	357.52	456.43
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	1,021.39	2,508.13
Total (A+B)	2,924.26	1,070.75	1,380.09	5,375.10

Disaggregation on the basis of class of customer

(₹ Crores)

Sr. No.	Particulars	2022-23 Exports	2021-22 Exports
	Formulation		
A	Institutional Sales	333.04	318.60
B	Non - Institutional Sales	1,306.15	1,168.14
	Total	1,639.19	1,486.74

22.2 Information about major customers:

No single customer represents 10% or more of the company's total revenue during the year ended March 31, 2023 and March 31, 2022.

22.3 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	2022-23	2021-22
Balances at the beginning of the year	26.73	20.70
Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	26.93	26.02
Less: Revenue recognized that was included in the contract liability balance at the beginning of the year	26.41	19.99
Advances received which have remained outstanding at the end of the year	27.25	26.73

The contractual commitment with respect to contract liability will be executed in one year's time.

23 Other Income

(₹ Crores)

Particulars	2022-23	2021-22
Interest income on financial asset at amortized cost;		
- From Banks	58.14	19.75
- From Others	15.62	11.55
Income on Financial Assets carried at fair value through Profit or loss;		
- Net Gain on Sale of Mutual Fund Investments	12.78	9.84
- Changes in fair value of Investments designated at FVTPL	2.19	6.09
Profit on sale of Property, Plant & Equipment *	16.05	-
Miscellaneous income	6.41	5.69
Total	111.19	52.92

*** Non-current assets held for Sale**

The Company has sold non-current assets held for sale in the current year on which Company has recognized profit of ₹ 16.04 Crores.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**24 Cost of Materials Consumed**

(₹ Crores)

Particulars	2022-23		2021-22	
Raw materials consumed				
Opening stock	676.87		567.82	
Add : On account of business combination	-		8.61	
Add : Purchases (net of discount)	1,397.51		1,481.59	
Add : Raw material conversion charges	30.04		24.34	
	2,104.42		2,082.36	
Less : Closing stock	646.36	1,458.06	676.87	1,405.49
Packing materials consumed				
Opening stock	48.99		37.65	
Add : On account of business combination	-		0.16	
Add : Purchases (net of discount)	261.18		258.57	
	310.17		296.38	
Less : Closing stock	58.05	252.12	48.99	247.39
Neutralization of duties and taxes on inputs for exports - duty drawback benefits		(26.15)		(24.36)
Total		1,684.03		1,628.52

25 Purchases of Traded Goods

(₹ Crores)

Particulars	2022-23	2021-22
Formulations	266.96	270.47
Active Pharmaceutical ingredients/ Intermediates	13.95	12.89
Total	280.91	283.36

26 Changes in inventories of Finished Goods (FG), Work-in-progress (WIP) and Traded Goods

(₹ Crores)

Particulars	2022-23		2021-22	
Inventory adjustments - WIP				
Stock at commencement	349.58		336.53	
Add : On account of business combination	-		5.55	
Less: - Stock at closing	324.27	25.31	349.58	(7.50)
Inventory adjustments - FG				
Stock at commencement :				
Own	588.89		486.92	
Traded	78.86		59.40	
Add : On account of business combination	-		7.49	
	667.75		553.81	
Less : Loss of stock due to fire	-		4.56	
Less: Stock at closing :				
Own	530.79		588.89	
Traded	58.18	78.78	78.86	(118.50)
Total		104.09		(126.00)

27 Employee Benefits Expenses

(₹ Crores)

Particulars	2022-23	2021-22
Salaries , bonus , perquisites , etc.	1,090.03	994.05
Contribution to provident and other funds	50.82	49.06
Leave encashment	13.97	12.79
Leave travel assistance	3.90	3.32
Gratuity expenses	10.62	9.54
Staff welfare expenses	20.94	31.31
Recruitment & training	3.11	2.07
Total	1,193.39	1,102.14

28 Finance Cost

(₹ Crores)

Particulars	2022-23	2021-22
Interest expense	39.76	4.56
Other borrowing cost	0.45	0.45
Interest expenses on lease liability (Refer note no.33)	1.37	1.23
Interest on Indirect taxes	1.29	0.45
Interest on Direct taxes	1.05	0.55
Total	43.92	7.24

29 Depreciation & Amortization

(₹ Crores)

Particulars	2022-23	2021-22
Depreciation on tangible assets	210.16	191.20
Depreciation on Right-of-use assets	8.97	9.83
Amortization on intangible assets	9.50	8.62
Total	228.63	209.65

30 Other Expenses

(₹ Crores)

Particulars	2022-23	2021-22
Consumption of stores and spares	65.06	66.94
Power and fuel	269.74	230.51
Water charges	7.47	6.93
Freight, forwarding and transportation	146.44	145.01
Outside manufacturing charges	28.90	19.74
Repairs and maintenance	178.48	159.22
Loss on sale of property, plant & equipment	-	0.03
Property, plant & equipment scrapped	2.84	11.36
Commission on sales and brokerage	43.68	30.85
Field staff expenses	113.02	99.35
Sales and marketing expenses	345.45	190.50
Product information catalogue	39.30	33.13
Expenditure on scientific research	46.13	41.82
Laboratory expenses and analytical charges	55.46	52.92

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ Crores)

Particulars	2022-23	2021-22
Rent	13.36	10.13
Rates and taxes	11.58	10.35
Travelling expenses	28.32	13.58
Professional charges	35.28	35.80
Printing and stationery	9.41	8.32
Books, subscription and software	6.76	12.13
Product registration expenses	22.50	20.16
GST Expenses	39.90	32.88
Communication expenses	7.25	6.71
Insurance	22.82	21.24
Intellectual property right expenses	0.77	1.20
Remuneration to auditors (Including Limited Review & Tax Audit)	0.83	0.65
Bank charges	2.42	3.17
Provision for doubtful debts/advances	0.01	0.38
Provision for Diminution in value of investment	-	39.14
Bad debts and other balance w/off	2.55	0.80
CSR expenses	21.88	18.21
Foreign exchange (gain) / loss - net (Refer Note 3 below)	31.01	(31.48)
Political contribution (Refer Note 5 below)	12.71	-
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	29.02	20.52
Total	1,640.35	1,312.20
Details of:		
1. Repairs and maintenance:		
Building	30.23	23.55
Machinery	131.70	122.19
Others	16.55	13.48
	178.48	159.22
2. Remuneration to auditors:		
Audit fees including Limited Review	0.52	0.61
Tax Audit including Transfer Pricing	0.11	-
Tax matters	0.15	-
Certification and other services	0.05	0.04
	0.83	0.65

- 3 The Company consistently discloses the impact of exchange (gain) / loss as part of other expenses to maintain uniformity of disclosure in each quarter and annual accounts.

4 Total expenditure on R & D is included in respective heads of accounts as under:

Particulars	(₹ Crores)	
	2022-23	2021-22
Expenditure on Scientific Research (Includes stores and chemicals, bio-availability, bio-equivalence and toxicity Studies)	46.13	41.82
Cost of materials consumed	2.68	2.16
Employee benefits expenses	54.84	50.22
Other expenses	27.11	23.73
Depreciation	15.82	14.61
Total	146.58	132.54

5 Political Contribution

Out of total Political Contribution, the Company has made a contribution through Electoral Bonds of ₹ 12.50 crores (P. Y- NIL).

31 Tax Expense

Particulars	(₹ Crores)	
	2022-23	2021-22
Current tax	223.95	197.20
Tax expense of previous year	-	0.08
Deferred tax	20.84	16.46
Total	244.79	213.74
i. Reconciliation of current rate of tax and effective rate of tax:		
Profit before Income taxes	750.49	1,074.11
Enacted tax rates in India (%)	25.17%	34.94%
Computed expected tax expenses	188.90	375.29
Tax effect due to incentives	-	(10.48)
Depreciation differential	(4.12)	(5.92)
Effect of non- deductible expenses	47.32	64.36
Research and Development expenses	(6.47)	(8.22)
Unabsorbed losses of merged entity	(7.30)	4.98
Tax on Capital transaction	3.96	-
Others	1.66	(9.70)
MAT Credit Adjusted	-	(213.11)
Income tax expenses - Net	223.95	197.20
Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate	-	17.47%
Computed tax liability on book profits	-	187.65
Tax effect on adjustments:		
Adjustment of OCI	-	0.25
Others	-	9.30
Minimum Alternate Tax on book profit	-	197.20

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

ii. Reconciliation of Deferred Tax

Deferred tax (assets) / liabilities in relation to:

(₹ Crores)

Particulars	As at March 31, 2022	Recognised in OCI	Recognised in profit/loss	As at March 31, 2023
Property, plant & equipment	252.91	-	(60.36)	192.55
Right of Use-Assets	7.08	-	(2.31)	4.77
MAT credit available	(72.46)	-	72.46	-
Lease Liability	(5.38)	-	0.91	(4.47)
Compensated absences	(16.46)	-	3.34	(13.12)
Fair Value of Investments	-	0.10	0.55	0.65
Bonus expenses	(1.49)	-	0.73	(0.76)
Doubtful Debts	(0.20)	-	0.03	(0.17)
Unabsorbed losses	(5.49)	-	5.49	-
Total	158.51	0.10	20.84	179.45

(₹ Crores)

Particulars	As at March 31, 2021	Addition on account of Business Combination	Recognized in OCI	Recognized in profit / loss	As at March 31, 2022
Property, plant & equipment	223.45	10.29	-	19.17	252.91
Right of Use-Assets	-	-	-	7.08	7.08
MAT credit available	(72.43)	(0.03)	-	(0.01)	(72.46)
Lease Liability	-	-	-	(5.38)	(5.38)
Compensated absences	(14.97)	-	-	(1.49)	(16.46)
Bonus expenses	(1.05)	(0.41)	-	(0.03)	(1.49)
Doubtful Debts	-	(0.01)	-	(0.19)	(0.20)
Unabsorbed losses	-	(2.80)	-	(2.69)	(5.49)
Total	135.00	7.04	-	16.46	158.51

32 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	2022-23	2021-22
i Profit after tax	505.70	860.37
ii Profit after tax and exceptional Items	505.70	860.37
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	25,37,04,218
v Weighted avg no. of shares outstanding (nos.) (diluted)	25,37,04,218	25,37,04,218
vi Nominal value of equity share (₹)	1.00	1.00
vii Basic EPS (i / iv) (₹)	19.93	33.91
viii Diluted EPS (i / v) (₹)	19.93	33.91

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.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

33 Disclosure in accordance with Ind AS – 116 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015

Following is carrying value of right-of-use asset recognized and the movements thereof during the year ended March 31, 2023

(₹ Crores)

Particulars	Land and Buildings 2022-23	Land and Buildings 2021-22
Balance as at 1st April	20.26	15.45
Additions during the year	7.66	14.64
Deletion during the year	-	-
Depreciation on Right-of-use asset	8.97	9.83
Balance as at 31st March	18.95	20.26

The following is the carrying value of lease liability and movement thereof during the year ended March 31, 2023

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at 1st April	15.40	13.05
Additions during the year	7.66	8.22
Finance cost accrued during the year	1.36	1.23
Deletions	-	-
Payment of lease liabilities	6.65	7.10
Balance as at 31st March	17.77	15.40
Current portion of Lease liability	3.96	4.47
Non - Current portion of Lease liability	13.81	10.93
Total	17.77	15.40

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%.

The details of the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis are as follows:

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	5.39	5.67
One to five years	11.53	9.42
More than five years	26.20	24.47
Total	43.12	39.56

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.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

34 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.

35 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	
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.(up to 10.06.2021)	India	
Lyka Labs Ltd. (up to 07.08.2022)	India	
iii. Joint Venture		
Avik Pharmaceutical Ltd.	India	
Lyka Labs Ltd. (w.e.f 08.08.2022)	India	
iv. Key Management Personnel		
Mr. Premchand Godha	Chairman & Managing Director (Executive Chairman w.e.f. April 1, 2023)	India
Mr. Ajit Kumar Jain	Joint Managing Director & CFO (Managing Director and CFO w.e.f. April 1, 2023)	India
Mr. Pranay Godha	Executive Director (Managing Director and CEO w.e.f. April 1, 2023)	India
Mr. Prashant Godha	Executive Director	India
Mr. Anand T. Kusre	Independent Director	India
Mr. Dev Parkash Yadava (till 2nd August 2022)	Independent Director	India
Dr. Narendra Mairpady (w.e.f 20th October, 2022)	Independent Director	India
Dr. (Mrs.) Manisha Premnath	Independent Director	India
Mr. Kamal Kishore Seth	Independent Director	India

Relationships	Country
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
Resonance Specialties Limited	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.

36 CSR Expenditure:

- a. Gross amount required to be spent by the Company during the year : ₹ 21.88 crores (previous year ₹ 18.21 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	Eradication of poverty, promotion of healthcare, sanitation, drinking water etc.	3.45	-	3.45
2	Measures for benefit of Armed forces	0.15	-	0.15
3	Promotion of education, vocational training & skill enhancement etc.	7.53	2.43	9.96
4	Environmental sustainability, animal welfare, natural resource conservation etc.	2.79	-	2.79
5	Promoting of gender equality and empowering women	1.05	-	1.05
6	Protection of national heritage, art, culture etc.	0.11	-	0.11
7	Promotion of rural sports	0.03	-	0.03
8	Rural development	4.05	-	4.05
9	Administration expenses	0.29	-	0.29
	Total	19.45	2.43	21.88

Note: ₹ 2.45 Crores is deposited in "Ipca Labs Limited Unspent CSR Account" on 26th April, 2023 (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	0.25	-	0.25	
Ipca Foundation	8.04	-	8.04	
Total	8.29	-	8.29	

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

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	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" on 27th April, 2022 (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

c. Provision created for Corporate Social Responsibility

(₹ Crores)

Particulars	2022-23	2021-22
Opening	1.75	-
Addition during the year	2.43	1.75
Utilized during the year	(1.75)	-
Closing	2.43	1.75

37 Contingent liabilities and Commitments

A. Contingent Liabilities

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
Claims against the Company not acknowledged as debts	22.51	19.94	15.36	13.65
Amount deposited under protest	(2.57)		(1.71)	
Corporate guarantee given to Bank for				
- Working Capital Finance to Subsidiary	36.98		34.11	
- Others	2.28	39.26	2.28	36.39
Guarantees given by banks in favor of Govt. & others *		24.12		19.80
Term deposit with Bank as security for short term working capital loan provided to Associate company **		11.00		11.00

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company *	37.93		23.25	
Amount deposited under protest	(2.60)	35.33	(0.70)	22.55
Total		129.65		103.39

Notes:-

* It includes ₹ 4.38 crore (Previous year ₹ 4.38 crore) 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 crore 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 towards short term credit facility availed by Krebs Biochemicals & Industries Ltd., an Associate company.

B. Commitments

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Tangible Assets	133.91	107.61
Intangible Assets	-	-
	133.91	107.61
(b) Investment Commitments (net of payments)		
Share warrants - Lyka Labs		
Preferential allotment of 50 lacs warrants @ ₹ 139.50 per warrant by Lyka Labs Ltd, Joint Venture. This warrants are convertible into equity shares in one or more tranches, at the option of the allottee, within a period of 18 months of its allotment.	69.75	-
Less : Part payment to the extent of 25% made during the year	(17.44)	-
Balance commitment at year end.	52.31	-
Less : Balance payment of 75% on 24 lacs warrants made after year end.	(25.11)	-
Remaining commitment on signing of the balance sheet	27.20	-
Unichem acquisition		
As per Share Purchase Agreement (SPA) dated 24 th April, 2023 :		
(a) 2,35,01,440 fully paid-up equity shares of ₹ 2 /- each from one of the promoter shareholder @ ₹ 440 /- per share (33.38% of Unichem's paid-up share capital).	1,034.06	-
(b) Open offer to the extent of 26% of paid-up share capital of Unichem - 1,83,05,495 shares @ ₹ 440/- per share.	805.44	-
Total Commitment (subject to approval of Competition Commission of India)	1,839.50	-
	1,866.70	-
(c) Other Commitments		
Purchase orders backed by Letter of Credit opened by bankers.	31.59	80.13
	31.59	80.13
Total	2,032.20	187.74

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**38 Financial Instruments**

The carrying value and fair value of financial instruments by category wise is as follows:

(₹ Crores)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
Amortised cost				
Loans	116.89	28.88	116.89	28.88
Others	140.01	123.26	140.01	123.26
Trade receivables	925.90	824.30	925.90	824.30
Cash and cash equivalents & other bank balances	1,706.06	595.50	1,706.06	595.50
FVTPL				
Mutual funds considered as cash and cash equivalents	323.32	719.31	323.32	719.31
Derivative assets	-	8.01	-	8.01
FVTOCI				
Investments carried at FVTOCI	25.37	25.15	25.37	25.15
Total financial assets	3,237.55	2,324.41	3,237.55	2,324.41
Financial liabilities				
Amortized cost				
Borrowings	1,422.61	761.01	1,422.61	761.01
Lease liability	17.77	15.40	17.77	15.40
Trade payables	450.84	491.95	450.84	491.95
Others	247.73	290.57	247.73	290.57
FVTPL				
Derivative liabilities	11.03	-	11.03	-
Total financial liabilities	2,149.98	1,558.93	2,149.98	1,558.93

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.

39 Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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, 2023	323.32	-	-	323.32
Investments carried at FVTOCI	As at March 31, 2023	-	-	25.37	25.37
Total financial assets		323.32	-	25.37	348.69
Financial liabilities					
Derivative financial liabilities	As at March 31, 2023	-	11.03	-	11.03
Total financial liabilities		-	11.03	-	11.03
Financial assets measured at fair value					
Mutual funds - growth plan	As at March 31, 2022	719.31	-	-	719.31
Derivative financial assets	As at March 31, 2022	-	8.01	-	8.01
Total financial assets		719.31	8.01	-	727.32

40 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 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.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**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, 2023		As at March 31, 2022	
			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	15.09	124.02	4.26	32.25
b.	Packing credit & interest	USD	19.04	156.43	22.00	166.79
		EURO	-	-	5.59	47.07
c.	Trade & other payables	USD	14.40	118.31	26.65	202.00
		EURO	0.36	3.26	0.28	2.40
		GBP	-	0.02	0.01	0.05
		AUD	0.01	0.08	0.01	0.06
		NZD	0.32	1.63	0.20	1.05
		AED	0.03	0.05	-	-
II)	Receivables in foreign currency					
a.	Trade & other receivables	USD	49.05	402.98	40.67	308.20
		EUR	8.12	72.51	8.52	71.72
		GBP	2.78	28.26	6.67	66.36
		AUD	10.99	60.44	6.37	36.15
		CAD	5.18	31.42	4.11	24.87
		NZD	4.61	23.73	4.94	25.95
		COP	1,325.36	2.35	855.52	1.73
b.	Unbilled revenue	CAD	0.97	5.91	-	-
		NZD	0.23	1.18	1.19	7.22

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

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, 2023, the investments in mutual funds is ₹ 323.32 crores (Previous year ₹ 719.31 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.

Particulars	(₹ Crores)			
	Impact on Profit		Impact on Investment Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Price - increase by 0.10%*	0.32	0.72	0.32	0.72
Price - decrease by 0.10% *	(0.32)	(0.72)	(0.32)	(0.72)

* assuming all other variables as constant

41 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.

Particulars	(₹ Crores)	
	As at March 31, 2023	As at March 31, 2022
Borrowings	1,422.61	761.01
Trade payables	450.84	491.95
Other payables	258.76	290.57
	2,132.21	1,543.53
Less: Cash and cash Equivalents and Bank Balances		
Cash and cash Equivalents (C&CE)	(1,183.70)	(230.03)
Bank balances	(522.36)	(365.47)
Margin Money	(5.12)	(5.12)
Investment in Mutual Funds	(323.32)	(719.31)
	(2,034.50)	(1,319.93)
Net debt	97.71	223.60
Total Equity	5,907.59	5,506.05
Capital and net debt gearing ratio (in times)	0.02	0.04

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, 2023 and March 31, 2022.

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Notes to Standalone Financial Statements as at and for the year ended March 31, 2023**42 Derivative Financial Instruments**

The details of outstanding foreign exchange forward contracts and other derivatives designated as cash flow hedges:

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts - Exports	USD	81.25	89.50
	STG	7.50	3.00
	EUR	19.66	3.00
	AUD	23.89	15.05
	CAD	4.68	6.00
	NZD	10.32	8.05
Forward Contracts - Imports	USD	0.04	0.23
Other Derivatives:			
Options	USD	6.00	4.00

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, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts - Exports			
Not later than one month	USD	6.00	8.00
	STG	0.00	1.00
	EUR	0.66	2.00
	CAD	0.38	1.00
	AUD	3.17	2.00
	NZD	1.89	0.50
Later than one month and not later than three months	USD	19.25	16.50
	STG	1.00	2.00
	EUR	6.00	1.00
	CAD	2.00	2.00
	AUD	5.00	4.00
	NZD	3.43	1.55
Later than three months and not later than one year	USD	56.00	65.00
	STG	5.50	0.00
	EUR	13.00	0.00
	CAD	2.30	3.00
	AUD	15.72	9.05
	NZD	5.00	6.00
Later than one year	STG	1.00	-

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts - Imports			
Not later than one month	USD	0.01	0.09
Later than one month and not later than three months	USD	0.03	-
Later than three months and not later than one year	USD	-	0.14

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts - Options			
Not later than one month	USD	-	-
Later than one month and not later than three months	USD	-	-
Later than three months and not later than one year	USD	6.00	4.00

Till previous year ended March 31, 2022, the Company had 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. During the current year, there are no transactions to be routed through the hedge reserve account and hence all the exchange gain / loss are taken to 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 is as follows:

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	(0.20)	(0.65)
Changes in the fair value of effective portion of cash flow hedges	-	-
Gain/(loss) transferred to the statement of profit & loss on occurrence of forecasted hedge transactions	0.20	0.45
Deferred tax on fair value of effective portion of cash flow hedges	-	-
Balance at the end of the period	-	(0.20)

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. During the year the Company has not settled any such transactions.

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837

Notes to Standalone Financial Statements as at and for the year ended March 31, 2023

43 Analytical Ratios :

Sr. No.	Ratio	Numerator/ Denominator	Units	31 st March, 2023	31 st March, 2022	% Variance	Reason for Variance (where variance is more than 25%)
1	Current Ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	No. of times	2.91	3.13	-7%	-
2	Debt Equity Ratio	$\frac{\text{Total Debt}}{\text{Shareholder's Equity}}$	No. of times	0.24	0.14	71%	Increase in Debt.
3	Net Profit Ratio	$\frac{\text{Net Profit}}{\text{Net Sales}}$	Percentage	8.75%	16.01%	-45%	Reduction in Profit.
4	Return on Equity	$\frac{\text{Net Profit after taxes}}{\text{Average Shareholder's Equity}}$	Percentage	8.91%	16.88%	-47%	Reduction in Profit.
5	Return on Capital Employed	$\frac{\text{EBIT}}{\text{Capital employed}}$	Percentage	10.62%	16.91%	-37%	Reduction in Profit and Increase in Debt.
6	Return on Investment	$\frac{\text{Interest on Mutual Fund, F.D.R \& I.C.D}}{\text{Average amount of Mutual Fund, F.D.R \& I.C.D}}$	Percentage	4.01%	3.19%	26%	Increase investments and market volatility
7	Trade Receivable Turnover Ratio	$\frac{\text{Net Credit Sales}}{\text{Average Account Receivable}}$	No. of times	6.60	6.70	-1%	-
8	Trade payable Turnover Ratio	$\frac{\text{Net Credit Purchase}}{\text{Average Trade Payable(incl. services)}}$	No. of times	4.11	3.94	5%	-
9	Inventory Turnover Ratio	$\frac{\text{Cost of goods Sold}}{\text{Average Inventory}}$	No. of times	1.20	1.08	12%	-
10	Net capital turnover ratio	$\frac{\text{Net Sales}}{\text{Average Working Capital}}$	No. of times	1.90	2.11	-10%	-
11	Debt Service Coverage Ratio	$\frac{\text{Earnings available to Debt Service}}{\text{Debt Service}}$	No. of times	11.44	15.50	-26%	Reduction in Profit and Increase in Debt.

44 Figures for the previous year have been regrouped / reinstated, 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, 2023.

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
Ajit Kumar Jain
Managing Director and CFO (DIN 00012657)
Pranay Godha
Managing Director and CEO (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

Statement 1 (refer Note No. 35)

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)

Particulars	Entities where control exists		Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	Subsidiaries		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
	2022-23	2021-22										
Purchase of goods and services												
Krebs Biochemicals & Industries Ltd.	-	-	-	-	52.00	59.44	-	-	-	-	52.00	59.44
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	40.33	28.74	-	-	40.33	28.74
Lyka Labs Ltd.	-	-	-	-	4.71	6.71	11.15	-	-	-	15.86	6.71
Ipca Pharmaceuticals, Inc. USA	14.24	9.21	-	-	-	-	-	-	-	-	14.24	9.21
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	6.36	13.17	6.36	13.17
Nipra Industries Pvt. Ltd.	-	-	-	-	-	-	-	-	2.88	2.72	2.88	2.72
Vandhara Resorts Pvt. Ltd.	-	-	-	-	-	-	-	-	1.85	0.02	1.85	0.02
Total	14.24	9.21	-	-	56.71	66.15	51.48	28.74	11.09	15.91	133.52	120.01
Sales of goods and services												
Ipca Laboratories UK Ltd	32.10	-	-	-	-	-	-	-	-	-	32.10	-
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	10.26	10.75	-	-	10.26	10.75
Krebs Biochemicals & Industries Ltd.	-	-	-	-	4.04	19.02	-	-	-	-	4.04	19.02
Ipca Pharma Nigeria Ltd.	3.62	3.65	-	-	-	-	-	-	-	-	3.62	3.65
Trophic Wellness Pvt. Ltd.	1.91	1.67	-	-	-	0.24	-	-	-	-	1.91	1.91
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.73	0.89	0.73	0.89
Kaygee Laboratories Pvt. Ltd.	-	-	-	-	-	-	-	-	0.26	-	0.26	-
Ipca Foundation	-	-	-	-	-	-	-	-	0.24	-	0.24	-
Bayshore Pharmaceuticals LLC.	-	2.45	-	-	-	-	-	-	-	-	-	2.45
Total	37.63	7.77	-	-	4.04	19.26	10.26	10.75	1.23	0.89	53.16	38.67
Rent income												
Trophic Wellness Pvt. Ltd.	0.19	0.12	-	-	-	0.04	-	-	-	-	0.19	0.16
Total	0.19	0.12	-	-	-	0.04	-	-	-	-	0.19	0.16
Interest income												
Lyka Labs Ltd.	-	-	-	-	1.05	0.11	6.05	-	-	-	7.10	0.11
Krebs Biochemicals & Industries Ltd.	-	-	-	-	2.09	4.51	-	-	-	-	2.09	4.51
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	1.45	1.57	-	-	1.45	1.57
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.16	0.06	0.16	0.06
Resonance Specialties Limited	-	-	-	-	-	-	-	-	0.02	-	0.02	-
Total	-	-	-	-	3.14	4.62	7.50	1.57	0.18	0.06	10.82	6.25
Sale of fixed assets												
Kaygee Laboratories Pvt. Ltd.	-	-	-	-	-	-	-	-	0.80	-	0.80	-
Krebs Biochemicals & Industries Ltd.	-	-	-	-	0.65	0.70	-	-	-	-	0.65	0.70
Lyka Labs Ltd.	-	-	-	-	-	-	0.04	-	-	-	0.04	-
Makers Laboratories Ltd. (Rs. 48,259/-)	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Total	-	-	-	-	0.65	0.70	0.04	-	0.80	0.01	1.49	0.71
Rent, expenses paid/(recovered)												
Krebs Biochemicals & Industries Ltd.	-	-	-	-	1.02	1.20	-	-	-	-	1.02	1.20
Ipca Pharma (Australia) Pty Ltd.	0.62	0.65	-	-	-	-	-	-	-	-	0.62	0.65
Australia	-	-	-	-	-	-	-	-	-	-	-	-
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.17	-	0.17	-
Ipca Foundation	-	-	-	-	-	-	-	-	0.11	-	0.11	-
Trophic Wellness Pvt. Ltd.	-	(0.01)	-	-	-	-	-	-	-	-	-	(0.01)
Bayshore Pharmaceuticals LLC.	(0.30)	(3.31)	-	-	-	-	-	-	-	-	(0.30)	(3.31)
Total	0.32	(2.67)	-	-	1.02	1.20	-	-	0.28	-	1.62	(1.47)
Loans given/(recovered)												
Loans given:												
Lyka Labs Ltd.	-	-	-	-	48.00	5.00	50.00	-	-	-	98.00	5.00
Krebs Biochemicals & Industries Ltd.	-	-	-	-	41.00	24.95	-	-	-	-	41.00	24.95
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	2.00	-	2.00	-
Resonance Specialties Limited	-	-	-	-	-	-	-	-	2.00	-	2.00	-

(₹ Crores)

Particulars	Entities where control exists		Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	Subsidiaries		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
	2022-23	2021-22										
Loans (recovered):												
Lyka Labs Ltd.	-	-	-	-	(45.00)	-	-	-	-	-	(45.00)	-
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	(6.40)	6.40	(6.40)	6.40
Resonance Specialties Limited	-	-	-	-	-	-	-	-	(2.00)	-	(2.00)	-
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	(1.46)	(0.40)	-	-	(1.46)	(0.40)
Krebs Biochemicals & Industries Ltd.	-	-	-	-	-	(89.42)	-	-	-	-	-	(89.42)
Total	-	-	-	-	44.00	(59.47)	48.54	(0.40)	(4.40)	6.40	88.14	(53.47)
Investments made / (redemption)												
Ipca Pharmaceuticals, Inc. USA	48.82	36.21	-	-	-	-	-	-	-	-	48.82	36.21
Lyka Labs Ltd.	-	-	-	-	-	98.11	27.90	-	-	-	27.90	98.11
Trophic Wellness Pvt. Ltd.	10.58	21.20	-	-	-	-	-	-	-	-	10.58	21.20
Ipca Laboratories UK Ltd	9.06	-	-	-	-	-	-	-	-	-	9.06	-
Krebs Biochemicals & Industries Ltd.	-	-	-	-	-	112.51	-	-	-	-	-	112.51
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	-	0.11	-	-	-	0.11
Total	68.46	57.41	-	-	-	210.62	27.90	0.11	-	-	96.36	268.14
Preference Share Warrants (investment made)												
Lyka Labs Ltd.	-	-	-	-	-	-	17.44	-	-	-	17.44	-
Total	-	-	-	-	-	-	17.44	-	-	-	17.44	-
Remuneration to Directors												
Mr. Premchand Godha	-	-	10.80	10.15	-	-	-	-	-	-	10.80	10.15
Mr. Ajit Kumar Jain	-	-	7.28	6.64	-	-	-	-	-	-	7.28	6.64
Mr. Pranay Godha	-	-	4.81	4.37	-	-	-	-	-	-	4.81	4.37
Mr. Prashant Godha	-	-	4.34	3.54	-	-	-	-	-	-	4.34	3.54
Total	-	-	27.23	24.70	-	-	-	-	-	-	27.23	24.70
Provident Fund to Directors												
Mr. Premchand Godha	-	-	0.46	0.44	-	-	-	-	-	-	0.46	0.44
Mr. Ajit Kumar Jain	-	-	0.48	0.43	-	-	-	-	-	-	0.48	0.43
Mr. Pranay Godha	-	-	0.29	0.26	-	-	-	-	-	-	0.29	0.26
Mr. Prashant Godha	-	-	0.26	0.21	-	-	-	-	-	-	0.26	0.21
Total	-	-	1.49	1.34	-	-	-	-	-	-	1.49	1.34
Post employment benefits of Directors												
Mr. Ajit Kumar Jain	-	-	0.40	0.37	-	-	-	-	-	-	0.40	0.37
Mr. Pranay Godha	-	-	0.11	0.10	-	-	-	-	-	-	0.11	0.10
Mr. Prashant Godha	-	-	0.06	0.05	-	-	-	-	-	-	0.06	0.05
Total	-	-	0.57	0.52	-	-	-	-	-	-	0.57	0.52
Sitting Fees to Non-executive Directors												
Mr. Anand T Kusre	-	-	0.11	0.12	-	-	-	-	-	-	0.11	0.12
Mr. Dev Prakash Yadava	-	-	0.03	0.14	-	-	-	-	-	-	0.03	0.14
Dr. (Mrs.) Manisha Premnath	-	-	0.10	0.11	-	-	-	-	-	-	0.10	0.11
Mr. Kamal Kishore Seth	-	-	0.14	0.15	-	-	-	-	-	-	0.14	0.15
Dr. Narendra Mairpady	-	-	0.06	-	-	-	-	-	-	-	0.06	-
Total	-	-	0.44	0.52	-	-	-	-	-	-	0.44	0.52
Donation/CSR/Expenses												
Reimbursement												
Ipca Foundation	-	-	-	-	-	-	-	-	8.43	4.36	8.43	4.36
Prabhat Foundation	-	-	-	-	-	-	-	-	0.25	0.33	0.25	0.33
Total	-	-	-	-	-	-	-	-	8.68	4.69	8.68	4.69
Security												
Security given to Bank by way of lien over term deposit for short term borrowings - Krebs Biochemicals & Industries Ltd.	-	-	-	-	11.00	11.00	-	-	-	-	11.00	11.00
Total	-	-	-	-	11.00	11.00	-	-	-	-	11.00	11.00

Particulars	Entities where control exists		Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	Subsidiaries		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
	2022-23	2021-22										
Impairment in the value of non-current Investment												
Krebs Biochemicals & Industries Ltd.	-	-	-	-	-	39.14	-	-	-	-	-	39.14
Total	-	-	-	-	-	39.14	-	-	-	-	-	39.14
Balance at year end												
Trade receivables												
Ipca Laboratories UK Ltd	27.13	-	-	-	-	-	-	-	-	-	27.13	-
Bayshore Pharmaceuticals LLC.	3.35	3.01	-	-	-	-	-	-	-	-	3.35	3.01
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	1.73	1.78	-	-	1.73	1.78
Ipca Pharma Nigeria Ltd.	1.60	2.15	-	-	-	-	-	-	-	-	1.60	2.15
Trophic Wellness Pvt. Ltd.	0.23	0.23	-	-	-	-	-	-	-	-	0.23	0.23
Krebs Biochemicals & Industries Ltd.	-	-	-	-	0.13	12.65	-	-	-	-	0.13	12.65
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.10	-	0.10	-
Loan given												
Lyka Labs Ltd.	-	-	-	-	-	5.00	58.00	-	-	-	58.00	5.00
Krebs Biochemicals & Industries Ltd.	-	-	-	-	43.00	2.00	-	-	-	-	43.00	2.00
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	12.32	13.78	-	-	12.32	13.78
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	2.00	6.40	2.00	6.40
Advance given												
Krebs Biochemicals & Industries Ltd.	-	-	-	-	11.05	11.41	-	-	-	-	11.05	11.41
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	2.39	3.00	2.39	3.00
Ipca Pharma (Australia) Pty Ltd. Australia	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Deposit given												
Krebs Biochemicals & Industries Ltd.	-	-	-	-	45.00	45.00	-	-	-	-	45.00	45.00
Interest receivable												
Krebs Biochemicals & Industries Ltd.	-	-	-	-	4.98	7.10	-	-	-	-	4.98	7.10
Lyka Labs Ltd.	-	-	-	-	-	-	2.17	-	-	-	2.17	-
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	0.10	-	-	-	0.10	-
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.05	0.06	0.05	0.06
Total	32.31	5.40	-	-	104.16	83.16	74.32	15.56	4.54	9.46	215.33	113.58
Trade payable												
Ipca Pharmaceuticals, Inc. USA	3.62	1.61	-	-	-	-	-	-	-	-	3.62	1.61
Nipra Industries Pvt. Ltd.	-	-	-	-	-	-	-	-	0.64	0.56	0.64	0.56
Lyka Labs Ltd.	-	-	-	-	-	1.16	0.51	-	-	-	0.51	1.16
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.45	0.57	0.45	0.57
Vandhara Resorts Pvt. Ltd.	-	-	-	-	-	-	-	-	0.29	0.21	0.29	0.21
Ipca Foundation	-	-	-	-	-	-	-	-	0.11	-	0.11	-
Ipca Pharma (Australia) Pty Ltd. Australia	0.02	-	-	-	-	-	-	-	-	-	0.02	-
Directors remuneration payable												
Mr. Premchand Godha	-	-	6.19	5.82	-	-	-	-	-	-	6.19	5.82
Mr. Ajit Kumar Jain	-	-	3.80	3.36	-	-	-	-	-	-	3.80	3.36
Mr. Pranay Godha	-	-	2.92	2.56	-	-	-	-	-	-	2.92	2.56
Mr. Prashant Godha	-	-	2.49	2.00	-	-	-	-	-	-	2.49	2.00
Total	3.64	1.61	15.40	13.74	-	1.16	0.51	-	1.49	1.34	21.04	17.85
Corporate guarantee/Security given to bank												
Bayshore Pharmaceuticals LLC.	36.98	34.11	-	-	-	-	-	-	-	-	36.98	34.11
Krebs Biochemicals & Industries Ltd.	-	-	-	-	11.00	11.00	-	-	-	-	11.00	11.00
Total	36.98	34.11	-	-	11.00	11.00	-	-	-	-	47.98	45.11

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 (hereinafter referred to as the "Holding Company") and its Subsidiaries (The Holding Company and its Subsidiaries together referred to as "the Group") and its Joint Ventures & Associates which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Consolidated Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including 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, the aforesaid Consolidated Financial Statements give the information required by 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, ("IndAS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, consolidated profit (including Consolidated Other Comprehensive Income), consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 that the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditors' Response
1.	<p>Inventory Valuation</p> <p>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 pharmaceutical products. Such judgements include management expectations for future sales and inventory liquidation plans.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • 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 the testing done for net realizable value of inventories 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. <p>We have assessed the adequacy of disclosure in the Consolidated Financial Statements.</p>

Sr No	Key Audit Matter	Auditors' Response
2.	<p>Assessment of Accounting pursuant to Scheme approval by NCLT for merger of Ramdev Chemical Private Limited (Ramdev) and Tonira Exports Limited (Tonira) with Ipca Laboratories Limited (Ipca)</p> <p>Pursuant to the Scheme of Merger ('the Scheme') of Ramdev, Tonira and Ipca under the provisions of Sections 230 to 232 of the Companies Act, 2013 which has been approved by the National Company Law Tribunal vide their order delivered on April 27, 2022, which has been filed with the Registrar of Companies on May 23, 2023, to make the Scheme effective. The Appointed date of the Scheme is April 1, 2022.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • We obtained and read the documents filed by the Company with the Registrar of Companies, including the NCLT order with respect to the merger of Ramdev and Tonira with the Company; • Tested the underlying workings prepared by management for merger of Ramdev and Tonira including the workings prepared for restatement of comparative figures for previous year as required by Appendix C to Ind AS 103; • Tested the underlying workings prepared by management for transfer of assets and liabilities at its carrying values pertaining to business as per the Scheme; • Assessed accounting in accordance with Scheme and as per applicable accounting standards which includes the following ; <ul style="list-style-type: none"> • Since the Business Combination is of entities under common control in accordance with the Appendix C of Ind AS 103, the financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. • Accordingly, the Company has accounted for the Scheme in its books of accounts with effect from April 1, 2021 as required by Appendix C of Ind AS 103 "Business Combination". <p>Assessed the disclosures in the Consolidated Ind AS financial statements for compliance with disclosure requirements.</p>
3.	<p>Impairment of Property, plant & equipment</p> <p>There is a risk of impairment of the Group'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, 2023 the carrying amount of PPE & CWIP was ₹ 2,669.63 crores which represent 30.95 % 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.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • 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 discussed with the management the matter relating to the determination of the value in use of the PPE at the various plants. • We evaluated the sensitivity of the outcomes by considering the downside scenarios against changes to the key assumptions. <p>We also assessed the adequacy of the related disclosures in the notes to the Consolidated Financial Statements.</p>

Sr No	Key Audit Matter	Auditors' Response
4.	<p>Assessment of Impairment of Investment made in and Loans given to the joint ventures and associates.</p> <p>Management is required to review regularly whether there are any indicators of impairment of such investments / loans by reference to the requirements under Ind AS and perform its impairment assessment by comparing the carrying value of these investments made/ loans given to their recoverable amount to determine whether impairment needs to be recognized.</p> <p>For impairment testing, value in use has to be determined by forecasting and discounting future cash flows of Joint ventures and associates.</p> <p>Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including market projections for revenues and discounting rates.</p> <p>The determination of the recoverable amount from Joint venture and associates involves management estimates and judgment which may affect the outcome.</p> <p>So, there is an inherent risk in the valuation of investment / recoverability of loans, due to the use of estimates and judgements mentioned above and accordingly, the assessment of impairment of investment/loans in Joint Venture and associates has been determined as a key audit matter.</p> <p>Refer Note 2(C) (g) for the accounting policy on Impairment of Investments in Consolidated Financials as at 31 March 2023.</p>	<p>Our Audit Procedures included the following :-</p> <ul style="list-style-type: none"> • We tested the Design, Implementation and Operating effectiveness of controls over impairment assessment process, including those over the forecasts of future revenue and operating margin, and the selection of the discount rate. • Our substantive testing procedures included evaluation of appropriateness of management assumption whether any indicators of loss allowances and impairment existed by verifying a discounted cash flow model prepared by the Management of the Company. • We have tested the reasonableness of key assumptions, including revenue, profit and cash flow growth rates, terminal value and the selection of discount rates management has applied. • We performed our own independent sensitivity analysis to understand the impact of reasonable changes in management assumptions. • Independent assessment of the future cash flows and assessing the appropriateness of the future cash flows estimated. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process; • Assessing the assumptions around the key drivers of the revenue projections, future cash flow, discount rates / weighted average cost of capital that were used by the management. • Management evaluation of recoverability of loans and granted to its joint ventures and associates. • Test the arithmetical accuracy.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the Other Information. The Other Information comprises the information included in the Holding Company's Annual Report excluding the Standalone and Consolidated Financial Statements and our Independent Auditors' Report thereon. We have read the Director's Report and Management Discussion and Analysis forming part of the Annual Report and found the same to be in order. However, the other contents of the Annual Report are 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 do not and will not express any form of assurance or 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.

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 Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including Consolidated Other Comprehensive Income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the

Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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:

1. 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.
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 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 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 Company to cease to continue as a going concern.
5. 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.
6. 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.

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

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

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

Other Matters

- a. We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of ₹ 818.61 Crores as at March 31, 2023, total revenue of ₹ 405.22 Crores and net cash inflows amounting to ₹ 21.79 Crores for the year ended on that date, as considered in the preparation of the consolidated financial statements. These financial statements, which have been audited by other auditors, were not prepared in accordance with Ind AS. The management of the Company has furnished us details of Ind AS adjustments that are required in case of these financials so as to make these financial statements fit for consolidation. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors, review of Ind AS adjustments by us and management certification.
- b. The Consolidated financial Statement also include the group's share of net loss of ₹ 12.10 Crores for the year ended March 31, 2023, as considered in the consolidated financial Statement in respect of one associate and the group's share of net loss of ₹ 0.91 Crores in respect of two joint ventures. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates and joint venture is based solely on the reports of the other auditors.
- c. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of ₹ 0.67 Crores, total revenue of ₹ 0.02 Crores and net cash outflows of ₹ (2.74) Crores for the year ended on that date. These financial statements, of the immaterial subsidiaries, have been prepared by the management for consolidation purposes and incorporated in these consolidated financial statements on the basis of the management certification on which we have not carried out any audit procedures. Our report is not modified on this account.
- d. The comparative financial information of the company for the year ended March 31, 2022 included in these Consolidated financial statements have been audited by the predecessor auditor M/s. G. M. Kapadia & Co. Chartered Accountants who had audited the consolidated financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information dated May 24, 2022 expressed an unmodified opinion. These financial statements have been restated to give effect to the merger as detailed in Note 12 (vi).
- e. The figures for the comparative period disclosed in these financial statements are after giving effect of merger of Ramdev and Tonira with the Company as disclosed in note no 12 (vi) and thus the same are not as per the previous signed financial statements.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of The Companies Act, 2013, we give in the attached Annexure A statement of the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), 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 accounts, workings and records maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2023, taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary companies

incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of internal financial controls with reference to Financial Statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Consolidated 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 Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements discloses the impact of pending litigations on the consolidated financial position of the Group, and its associate and joint venture – Refer Note 36 & 43 (VIII) to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company,
 - iv. (a) The management has represented that, to the best of their knowledge and belief other than as disclosed in Note No. 4 (6) (f) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entities, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented that, to the best of its knowledge and belief no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries as disclosed in Note No. 4 (6)(g) to the financial statements.
 - (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. In the matter of interim dividend declared and paid during the year, the Company is in compliance with section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

N Jayendran
Partner

M. No. 040441

UDIN: 23040441BGYGGO5912

Mumbai,
Dated: May 29, 2023

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of Ipca Laboratories Limited

As required by clause 3(xxi) of the Companies (Auditors Report) Order, 2020 relating to any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, we report hereinbelow in the table qualifications/adverse reporting by the auditors.

S. No.	Name of the Company	CIN	Relationship Holding / Subsidiary /Associate / Joint Venture	Clause number of the Caro report which is qualified or adverse.
1.	Ipca Laboratories Limited	CIN - L24239MH1949PLC007837	Holding Company	i (c)
2.	Krebs Biochemicals and Industries Limited	CIN - L24110AP1991PLC103912	Associate	(xix)

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

Mumbai,
Dated: May 29, 2023

N Jayendran
Partner
M. No. 040441
UDIN: 23040441BGYGGO5912

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

In conjunction with our audit of the consolidated financial statements (Financial Statements) of the Holding Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of Ipca Laboratories Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiaries 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 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 internal financial controls with reference to financial statements of the Holding Company and its Subsidiaries which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters 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 Financial Statements

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

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

Because of the inherent limitations of 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 Holding Company and its subsidiaries, which are companies incorporated in India, have, 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, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to financial statements of subsidiaries, which are companies incorporated in India, are based on the corresponding reports of the auditor of such companies.

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

N Jayendran
Partner
M. No. 040441
UDIN: 23040441BGYGGO5912

Mumbai,
Dated: May 29, 2023

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837

Consolidated Balance Sheet as at March 31, 2023

Particulars	Note Ref.	As at March 31, 2023 (₹ Crores)	As at March 31, 2022 (₹ Crores)
ASSETS			
1. Non-current assets			
(a) Property, plant & equipment	3	2,547.46	2,187.91
(b) Capital work-in-progress	3A	122.17	293.85
(c) Goodwill on consolidation	3B	30.37	31.07
(d) Goodwill on acquisition	3C	7.77	7.77
(e) Other intangible assets	3D	140.83	154.61
(f) Intangible assets under development	3E	18.26	12.58
(g) Right of use assets	33	24.95	20.83
(h) Investment accounted for using the equity method	4	129.81	114.69
(i) Financial assets			
(i) Investments	4A	172.85	155.19
(ii) Loans	5	115.90	71.40
(iii) Others	6	71.06	69.93
(j) Deferred tax assets (net)	17	3.57	2.02
(k) Other non-current assets	7	52.16	44.51
Total Non-current assets		3,437.16	3,166.36
2. Current assets			
(a) Inventories	8	1,743.37	1,857.97
(b) Financial assets			
(i) Investments	4B	323.32	719.31
(ii) Trade receivables	9	989.02	910.78
(iii) Cash and cash equivalents	10	1,257.85	275.19
(iv) Bank balances other than (iii) above	11	595.39	365.47
(v) Loans	5	3.23	10.34
(vi) Others	6	98.36	88.72
(c) Current tax assets (net)		-	-
(d) Other current assets	7	178.73	218.93
(e) Non current assets held for sale		-	10.46
Total current assets		5,189.27	4,457.17
Total Assets		8,626.43	7,623.53
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	12	25.37	25.37
(b) Other equity	13	5,816.65	5,439.47
Equity attributable to owners of the Holding Company		5,842.02	5,464.84
Non-controlling interests		73.30	76.92
Total Equity		5,915.32	5,541.76
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	651.78	395.18
(ii) Lease Liability	33	17.08	11.50
(iii) Other financial liabilities	15	-	0.11
(b) Provisions	16	46.99	42.73
(c) Deferred tax liabilities (net)	17	189.16	164.38
(d) Other non-current liabilities	18	0.28	1.99
Total Non-current liabilities		905.29	615.89
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	805.75	396.06
(ii) Lease Liability	33	6.66	4.48
(iii) Trade payables :	20		
Dues of micro & small enterprises		123.62	72.23
Dues of others		401.44	485.47
(iv) Other financial liabilities	15	268.54	301.81
(b) Current tax liabilities (net)	21	22.76	18.33
(c) Provisions	16	108.03	101.52
(d) Other current liabilities	18	69.02	85.98
Total Current liabilities		1,805.82	1,465.88
Total Equity and Liabilities		8,626.43	7,623.53

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

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
Ajit Kumar Jain
Managing Director and CFO (DIN 00012657)
Pranay Godha
Managing Director and CEO (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note Ref.	2022-23 (₹ Crores)	2021-22 (₹ Crores)
I Revenue from operations	22	6,244.32	5,829.79
II Other income	23	125.62	66.57
III Total income (I + II)		6,369.94	5,896.36
IV Expenses:			
Cost of materials consumed	24	1,708.65	1,664.20
Purchase of stock-in-trade	25	497.19	480.30
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	100.67	(129.65)
Employee benefit expense	27	1,287.64	1,177.39
Finance cost	28	45.54	7.69
Depreciation & amortisation expense	29	261.56	232.42
Other expenses	30	1,723.40	1,328.29
Total expenses (IV)		5,624.65	4,760.64
V Profit from ordinary activity before share of profit / (loss) of associates & joint venture, exceptional items & tax (III - IV)		745.29	1,135.72
VI Exceptional items		-	-
VII Profit before tax (V-VI)		745.29	1,135.72
VIII Tax expense	31		
1. Current tax		230.14	207.01
2. Short / (excess) provision of earlier years		0.22	0.50
3. Deferred tax liability / (asset)		23.00	17.26
		253.36	224.77
IX Profit for the period from continuing operations before share of profit / (loss) of associates & joint venture (VII-VIII)		491.93	910.95
X Share of Profit / (loss) of associates & joint venture (net of tax) accounted by using the equity method		(12.94)	(21.16)
XI Profit for the period from continuing operations before non - controlling interest (IX + X)		478.99	889.79
XII Less/(Add) : Share of non-controlling interest - profit / (loss)		7.67	5.71
XIII Profit for the period attributable to owners of the Company (XI - XII)		471.32	884.08
XIV Other comprehensive income			
A Items that will not be reclassified to profit or loss:			
a Actuarial gain/ (loss)		(2.76)	1.22
Tax effect thereon		0.70	(0.24)
b Fair Value change through Other comprehensive income		0.23	0.15
Tax effect thereon		(0.10)	-
B Items that will be reclassified to profit or loss :			
a Exchange difference in translating the financial statement of foreign operation		8.55	1.40
Tax effect thereon		0.35	-
b Gain/(loss) on cash flow hedge		0.20	0.54
C Share of OCI from investment in associates		0.17	(0.07)
Other comprehensive income/(loss) for the year, net of tax (XIV)		7.34	3.00
XV Total Comprehensive Income for the period (XI + XIV)		486.33	892.79
Profit after tax attributable to			
Owners of the parent		471.32	884.08
Non-controlling interest- profit/(loss)		7.67	5.71
		478.99	889.79
Other comprehensive income for the year attributable to:			
Owners of the parent		7.34	2.95
Non-controlling interest- profit/(loss)		-	0.05
		7.34	3.00
Total comprehensive income for the year attributable to:			
Owners of the parent		478.66	887.03
Non-controlling interest- profit/(loss)		7.67	5.76
		486.33	892.79
XVI Earnings per equity share (Face value of ₹ 1/- each) :	32		
Basic (in ₹)		18.58	34.85
Diluted (in ₹)		18.58	34.85

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

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
Ajit Kumar Jain
Managing Director and CFO (DIN 00012657)
Pranay Godha
Managing Director and CEO (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

Consolidated Cash Flow Statement for the year ended 31st March, 2023

	2022-23 (₹ Crores)	2021-22 (₹ Crores)
A. Cash Flow from Operating Activities		
1) Net profit before taxation and extraordinary item	745.29	1,135.72
Adjustments for :		
Depreciation, amortisation and impairment expense	261.56	232.42
(Profit) / Loss on sale of Property, plant & equipment	(16.05)	0.03
Net gain on financial asset through FVTPL	1.38	(2.78)
Property, plant & equipment scrapped / transferred	2.84	11.36
Sundry balances written off / (back)	(1.71)	(3.17)
Provision for doubtful debts / advances	(0.28)	0.36
Bad debts written off	2.55	0.80
Unrealised foreign exchange (gain) / loss	18.70	(9.94)
(Profit)/Loss on Business Combination	-	(7.37)
Interest income	(79.35)	(34.17)
Interest expense	45.54	7.57
	235.18	195.11
2) Operating profit before working capital changes	980.47	1,330.83
Decrease / (Increase) in Inventories	114.60	(249.15)
Decrease / (Increase) in Trade Receivables	(68.10)	(80.24)
Decrease / (Increase) in Other Financial assets	12.14	34.78
Decrease / (Increase) in Other assets	30.09	(33.34)
Increase / (Decrease) in Trade Payables	(32.40)	(109.69)
Increase / (Decrease) in Other Financial liabilities	5.88	135.07
Increase / (Decrease) in Other liabilities	(18.67)	26.51
Increase / (Decrease) in Provisions	5.45	3.34
	48.99	(272.72)
3) Cash generated from operation	1,029.46	1,058.11
Income tax paid (net)	(223.65)	(202.04)
Net cash from operating activities	805.81	856.07
B. Cash Flow from Investing Activities		
Purchase of Property, plant & equipment including Capital work in progress and Intangible assets	(494.47)	(478.95)
Proceeds from Sale of Property, Plant and Equipment	36.15	2.84
Investment in Subsidiaries	(10.59)	(30.11)
Investment in Associates and Joint Venture	(45.34)	(210.72)
Investment in Others	-	(25.04)
Loan given Associates and Joint Venture	(139.00)	(89.82)
Loan recovered - Associates and Joint Venture	96.46	99.70
Loan given - Others	(34.00)	(35.00)
Loan recovered - Others	40.90	35.00
Movement in other bank balances	(229.34)	(155.98)
Interest received	54.23	33.03
Net cash from / (used in) investing activities	(725.00)	(855.05)
C. Cash Flow from Financing Activities		
Increase / (decrease) in short term borrowings	294.27	193.34
Proceeds from long-term borrowings	391.69	413.70
Repayment of long-term borrowings	(28.25)	(66.72)
Payment of principal portion of Lease liability	(7.51)	(5.88)
Payment of interest portion of Lease liability	(1.65)	(1.28)
Interest paid	(39.83)	(4.90)
Dividend & dividend tax paid	(101.48)	(101.48)
Net cash from / (used in) financing activities	507.24	426.78
Net increase / (decrease) in cash and cash equivalents (A + B + C)	588.05	427.80
Cash and cash equivalents at beginning of year	990.93	559.01
Movement due to Business combination	-	4.12
Cash and cash equivalents at end of the year	1,578.98	990.93
Components of cash & cash equivalents :		
Cash and cheques on hand	0.31	0.36
Balance with banks	1,257.54	274.83
Mutual Funds	323.32	719.31
Less : Fair value (gain) / loss on Mutual funds	(2.19)	(3.57)
	321.13	715.74
	1,578.98	990.93

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
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Executive Chairman (DIN 00012691)
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Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837

Consolidated Statement of changes in equity for the year ended March 31, 2023

A. Equity Share Capital (Refer Note 12)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ Crores)	No. of Shares	(₹ Crores)
Balance at the beginning of the year	25,37,04,218	25.37	12,68,52,109	25.37
Changes in equity share capital during the year	-	-	12,68,52,109	-
Balance at the end of the year	25,37,04,218	25.37	25,37,04,218	25.37

B. Other Equity

(₹ Crores)

Particulars	Other Equity										Total	
	Reserves and Surplus				Amalgamation adjustment deficit account*	Other Comprehensive Income			Equity attributable to owners of the company	Non Controlling Interest		
	Capital reserve	Securities premium	Other Reserves Capital redemption reserve General reserve	Retained earnings		Equity Investments through OCI***	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of foreign operation				
Opening Balance as at 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
Addition on account of Business Combination *	-	-	-	-	-	(27.13)	-	-	-	(27.13)	-	(27.13)
Restated balance at 01.04.2021	6.59	96.52	0.26	1,311.05	3,247.75	(27.13)	-	(0.65)	14.76	4,649.15	14.53	4,663.68
I) Profit for the year	-	-	-	-	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 as at 31.03.2022	6.59	96.52	0.26	1,311.05	4,036.06	(27.13)	0.12	(0.20)	16.20	5,439.47	76.92	5,516.39
I) Profit for the year	-	-	-	-	471.32	-	-	-	-	471.32	7.67	478.99
II) Other Comprehensive Income(net of tax)	-	-	-	-	(1.89) **	-	0.13	0.20	8.90	7.34	-	7.34
III) Total Comprehensive Income (I+II)	-	-	-	-	469.43	-	0.13	0.20	8.90	478.66	7.67	486.33
Dividends****	-	-	-	-	(101.48)	-	-	-	-	(101.48)	-	(101.48)
Impact of Acquisition of Non Controlling Interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	(11.29)	(11.29)
Balance as at 31.03.2023	6.59	96.52	0.26	1,311.05	4,404.01	(27.13)	0.25	-	25.10	5,816.65	73.30	5,889.95

* The Company has restated the previous year figures on account of the merger through common control and accordingly recorded the difference between the equity of the amalgamating companies and the value of investments in them as Amalgamation adjustment deficit account in accordance with Appendix c of Ind AS – 103 – Business Combination. Refer Note – 12 (vi).

**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)

**** The Board of Directors, at its meeting held on November 11, 2022, had declared an interim dividend of ₹ 4/- per equity share of ₹ 1/- each. It resulted in an outflow of ₹101.48 crores.

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

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
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Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

Consolidated Statement of Significant Accounting Policies and Other Explanatory Notes

1. 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. During the year ended March 31, 2023 the Company has merged two wholly owned subsidiary Ramdev Chemical Private Limited and Tonira Exports Limited with appointed date of April 1, 2022 on pooling of interest method of accounting as per Appendix C of IND AS 103 – Business Combinations as common control merger.

Authorization of Consolidated Financial Statements

The consolidated financial statements were authorised for issue in accordance with a resolution of the Directors on May 29, 2023.

These financial statements can be amended by the board of directors till they are placed before the share holders and also by the share holders before their approval for adoption.

2. Principles of Consolidation , Basis of Preparation and Significant Accounting Policies

A. 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: -

Sr. No.	Name of the Companies	Relationship	Country of Incorporation	% of ultimate holding	
				2022-23	2021-22
1.	Ipca Pharmaceuticals, Inc. USA	Subsidiary	USA	100.00	100.00
2.	Ipca Laboratories (U.K.) Ltd.	Subsidiary	UK	100.00	100.00
3.	Ipca Pharma Nigeria Ltd.	Subsidiary	Nigeria	100.00	100.00

Sr. No.	Name of the Companies	Relationship	Country of Incorporation	% of ultimate holding	
				2022-23	2021-22
4.	Ipca Pharma (Australia) Pty.Ltd.	Subsidiary	Australia	100.00	100.00
5.	Ipca Pharmaceuticals Ltd.,SA de CV	Subsidiary	Mexico	100.00	100.00
6.	Onyx Scientific Ltd. (Subsidiary of Ipca Laboratories (U.K.) Ltd.)	Step down subsidiary	UK	100.00	100.00
7.	Pisgah Laboratories Inc.(Subsidiary of Ipca Laboratories Inc, USA)	Step down subsidiary	USA	100.00	100.00
8.	Bayshore Pharmaceuticals LLC. (Subsidiary of Ipca Laboratories Inc, USA)	Step down subsidiary	USA	100.00	100.00
9.	Ipca Pharma (NZ) Pty. Ltd. (Subsidiary of Ipca Pharma (Australia) Pty.Ltd.)	Step down subsidiary	New Zealand	100.00	100.00
10.	Trophic Wellness Pvt. Ltd.	Subsidiary	India	58.88	52.35
11.	Avik Pharmaceutical Ltd.	Joint Venture	India	50.00	50.00
12.	Lyka Labs Ltd.	Joint Venture	India	31.36	26.58
13.	CCPL Software Private Ltd.#	Associate	India	28.95	28.95
14.	Krebs Biochemicals & Industries Ltd.	Associate	India	49.65	49.65

cost fully written off in the books.

B. 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 Judgments, 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, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of 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 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.

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 ventures 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 judgment. The Company uses significant judgment 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. 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 at least 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 equipments	9 to 22
Office and other equipments	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.

(e) 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.

(f) 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.

(g) Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Ventures 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.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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).

(m) 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.

(n) 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 9 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.

(o) Investments:

Investment in LLP

Investment in LLP is carried at Fair Value through OCI(FVTOCI) in the consolidated financial statements.

(p) 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 at the initial transaction price.

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).

(q) 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 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.

(r) 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.

(s) 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.

(t) 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.

(u) 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.

(v) 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.

(w) 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.

(x) Recent pronouncements

Ministry of corporate affairs (MCA) notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued and amended from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

a) Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

b) Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty” Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

IPCA LABORATORIES LIMITED CIN L24239MH1949PLC007837
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

3 Property, Plant & Equipment

Particulars	(₹ Crores)											Total				
	Freehold Land	Long -term Leasehold Land	Building	Plant & equipment	Office & other equipment	Effluent treatment plant	Furniture & Fixture	Vehicles	Lease Hold Improvement	R&D building	R&D equipment		R&D furniture			
Gross Block																
As on April 01, 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			
Additions	1.87	-	96.20	433.15	3.55	17.78	7.61	7.76	0.79	0.03	24.85	0.18	593.77			
Disposals/Adjustments	(3.05)	-	7.23	9.12	(1.01)	(0.01)	0.42	(1.60)	-	(0.01)	(3.59)	(0.17)	7.33			
As on March 31, 2023	100.82	113.66	813.37	2,505.16	33.37	127.76	69.01	28.92	0.79	4.09	178.21	2.92	3,978.08			
Accumulated Depreciation/ Amortisation																
As on April 01, 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			
Charge for the year	-	3.58	22.29	145.10	2.36	7.25	5.46	2.03	-	0.44	13.56	0.28	202.35			
Disposals/Adjustments	-	-	(1.28)	(10.14)	(0.28)	0.02	(0.51)	(1.25)	-	(2.27)	0.72	-	(14.99)			
As on March 31, 2022	-	13.35	133.90	823.56	22.71	45.46	37.93	13.93	-	1.22	95.21	1.80	1,189.07			
Charge for the year	-	3.59	26.28	160.72	2.34	8.04	5.85	2.58	0.09	0.19	15.03	0.24	224.95			
Disposals/Adjustments	-	-	7.38	14.50	(0.93)	(0.01)	0.40	(1.22)	-	-	(3.39)	(0.13)	16.60			
As on March 31, 2023	-	16.94	167.56	998.78	24.12	53.49	44.18	15.29	0.09	1.41	106.85	1.91	1,430.62			
Net Block as on March 31, 2022	102.00	100.31	576.04	1,239.33	8.12	64.53	23.05	8.83	-	2.85	61.74	1.11	2,187.91			
Net Block as on March 31, 2023	100.82	96.72	645.81	1,506.38	9.25	74.27	24.83	13.63	0.70	2.68	71.36	1.01	2,547.46			

Notes:

- Buildings include cost of shares in Co-operative societies.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

2. The above includes the Company's investments in renewable source of energy for captive consumption. The details are as under:

(₹ Crores)				
Particulars	Freehold Land	Building *	Equipment	Total
Gross Block				
As on April 01, 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
Additions	0.15	3.26	111.40	114.81
Disposals/Adjustments	-	-	-	-
As on March 31, 2023	10.11	3.37	146.54	160.02
Accumulated Depreciation/ Amortization				
As on April 01, 2021	-	-	1.18	1.18
Charge for the year	-	-	1.52	1.52
Disposals/Adjustments	-	-	-	-
As on March 31, 2022	-	-	2.70	2.70
Charge for the year	-	-	1.53	1.53
Disposals/Adjustments	-	-	-	-
As on March 31, 2023	-	-	4.23	4.23
Net Block as on March 31, 2022	9.96	0.11	32.44	42.51
Net Block as on March 31, 2023	10.11	3.37	142.31	155.79

* Depreciation on building is ₹ 39,460/-

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 31.03.2023**

(₹ 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	Leasehold Land	13.77	Ramdev Chemical Private Limited	No	Appointed date as per NCLT order 01.04.2022	Acquisition on Business Combination vide NCLT order. Name transfer work is in progress
	Buildings	21.37				
Property, plant & equipment	Leasehold Land	0.09	Tonira Exports Limited	No		
	Buildings	0.05				

(ii) **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				

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**3A Capital-Work-in Progress (CWIP)**

(i) Movement in capital work in progress

		(₹ Crores)
Particulars		Amount
As at Mar 31, 2021		183.66
Additions		559.57
Capitalised during the year		(449.38)
As at Mar 31, 2022		293.85
Additions		422.09
Capitalised during the year		(593.77)
As at Mar 31, 2023		122.17

(ii) Capital-Work-in Progress (CWIP) as on 31.03.2023, 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	106.83	9.63	3.57	0.05	120.08
2	Projects temporarily suspended	-	0.06	0.19	1.84	2.09
	Total	106.83	9.69	3.76	1.89	122.17

(iii) Completion Schedule in respect of Capital-Work-in Progress (CWIP) as on 31.03.2023, 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)	Other Projects: Individual project costing less than ₹ 10 Crores at various manufacturing locations.	37.13	-	-	-	37.13
	Total	37.13	-	-	-	37.13
2	Projects Temporarily suspended:					
i)	Various small projects	0.24	-	-	1.84	2.08
	Total	37.37	-	-	1.84	39.21

(iv) 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

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

- (v) 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 :-

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)	Various projects: Individual project costing less than ₹ 10 Crores at various 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

3B Goodwill
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.

Particulars	Amount
Gross Block	
As on April 1, 2021	38.83
Transfer to Amalgamation adjustment deficit	(15.32)
Additions	7.56
Disposals/Adjustments	-
As on March 31, 2022	31.07
Additions	-
Changes on account of change in stake	(0.70)
Disposals/Adjustments	-
As on March 31, 2023	30.37
Accumulated Impairment	
As on April 1, 2021	-
For the year 2021-22	-
Disposals/Adjustments	-
As on March 31, 2022	-
For the year 2022-23	-
Disposals/Adjustments	-
As on March 31, 2023	-
Net Block as on March 31, 2022	31.07
Net Block as on March 31, 2023	30.37

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023
3C 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 previous year.

(₹ Crores)	
Particulars	Amount
Gross Block	
As on April 1, 2021	23.61
Additions	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	7.77
Additions	-
Disposals/Adjustments	-
As on March 31, 2023	7.77
Accumulated Impairment	
As on April 1, 2021	15.84
Charge for the year	-
Disposals/Adjustments	(15.84)
As on March 31, 2022	-
Charge for the year	-
Disposals/Adjustments	-
As on March 31, 2023	-
Net Block as on March 31, 2022	7.77
Net Block as on March 31, 2023	7.77

3D Other Intangible Assets

(₹ Crores)						
Particulars	Software	Brand / Trade Mark	Know-How	Software - R&D	Product Related Intangible	Total
Gross Block						
As on 01/04/2021	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 31/03/2022	53.25	68.84	57.85	4.35	112.68	296.97
Additions	5.20	-	-	0.66	-	5.86
Disposals/Adjustments	(2.08)	-	3.78	(1.72)	9.44	9.42
As on 31/03/2023	56.37	68.84	61.63	3.29	122.12	312.25
Accumulated Depreciation / Amortisation						
As on 01/04/2021	33.62	5.44	46.72	3.22	30.33	119.33
Acquisition through business combinations	0.06	2.73	-	-	-	2.79
Charge for the year	6.41	0.26	2.52	0.33	10.70	20.22
Disposals/Adjustments	(2.45)	-	1.44	-	1.03	0.02
As on 31/03/2022	37.64	8.43	50.68	3.55	42.06	142.36
Acquisition through business combinations	-	-	-	-	-	-
Charge for the year	7.27	-	2.56	0.36	15.18	25.37
Disposals/Adjustments	(2.02)	-	3.46	(1.64)	3.89	3.69
As on 31/03/2023	42.89	8.43	56.70	2.27	61.13	171.42
Net Block as on March 31, 2022	15.61	60.41	7.17	0.80	70.62	154.61
Net Block as on March 31, 2023	13.48	60.41	4.93	1.02	60.99	140.83

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

Range of remaining period of amortisation as at March 31, 2023 of Intangible assets is as below :

(₹ Crores)

Assets	Range of remaining period of amortisation				Net Block
	< 5 year	5-10 year	>10 year	Perpetual	
Software	13.48	-	-	-	13.48
Brand / Trade Mark	0.41	-	-	60.00	60.41
Know-How	1.40	3.53	-	-	4.93
Software - R&D	1.02	-	-	-	1.02
Product Related Intangible	23.61	37.38	-	-	60.99
Total	39.92	40.91	-	60.00	140.83

Range of remaining period of amortization as at March 31, 2022 of Intangible assets is as below :

(₹ Crores)

Assets	Range of remaining period of amortisation				Net Block
	< 5 year	5-10 year	>10 year	Perpetual	
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

3E Intangible assets under development

(i) Movement in intangible assets under development

(₹ Crores)

Particulars	Amount
As at Mar 31, 2021	51.16
Additions	11.63
Capitalised during the year	(50.21)
As at Mar 31, 2022	12.58
Additions	11.54
Capitalised during the year	(5.86)
As at Mar 31, 2023	18.26

(ii) Intangible assets under development as on 31.03.2023, 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	7.40	1.39	0.40	9.07	18.26
Projects Temporarily suspended	-	-	-	-	-
Total	7.40	1.39	0.40	9.07	18.26

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

(iii) Completion Schedule in respect of Intangible assets under development as on 31.03.2023, 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	
Product Registration Expenses	9.55	-	-	-	9.55
Total	9.55	-	-	-	9.55

(iv) 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	2.90	0.50	0.87	8.31	12.58
Projects Temporarily suspended	-	-	-	-	-
Total	2.90	0.50	0.87	8.31	12.58

(v) 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
Product Registration Expenses	8.74	-	-	-	8.74
Total	9.68	-	-	-	9.68

4 Financial Assets - Investments

(₹ Crores)

Sr. no.	Particulars	As at March 31, 2023	As at March 31, 2022
4	Investments in Joint Venture / Associates (Equity Method)		
1	Equity instrument in Joint Venture	130.40	103.31
2	Equity instrument in Associates	(0.59)	11.38
	Total	129.81	114.69
4A	Other Non-Current Investments		
1	Investment in Share Warrants in Associates	17.44	-
2	Investment in preference shares in Associates	130.00	130.00
3	Investment in Equity (At FVTPL)	0.04	0.04
4	Investment in LLP (At FVTOCI)	25.37	25.15
	Total	172.85	155.19
4B	Current Investments (At FVTPL)		
	Investment in Mutual fund	323.32	719.31
	Total	323.32	719.31

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023
4 Investment in Joint Venture / Associate

Sr. no.	Name of the body corporate	Relationship	Face value	Extent of holding (%) No. of shares		(` Crores)	
				As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Non-Current Investment							
1	Investment in Joint Ventures						
i)	Avik Pharmaceutical Ltd. - Unquoted	Joint Venture	₹ 100	50.00% 5,44,000	50.00% 5,44,000	10.25	7.62
ii)	Lyka Labs Ltd. - Quoted (Associate from 24 th November 2021 and a Joint Venture w.e.f 8 th August 2022) (The Shares acquired during the year are transferred in the name of Company on May 22, 2023)	Joint Venture	₹ 10	31.36% 96,24,923	26.58% 76,24,923	120.15	95.69
Total						130.40	103.31
2	Investment in Associates						
i)	Krebs Biochemicals & Industries Ltd.- Quoted	Associate	₹ 10	49.65% 1,07,05,195	49.65% 1,07,05,195	(0.59)	11.38
ii)	CCPL Software Pvt.Ltd. - Unquoted	Associate	₹ 100	28.95% 55,000	28.95% 55,000	-	-
Total						(0.59)	11.38

4A Other Non-Current Investments

Sr. no.	Name of the body corporate	Relationship	Face value	Extent of holding (%) No. of shares		(` Crores)	
				As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1	Investment in convertible Share Warrants (partly paid) (at cost)						
a)	Lyka Labs Ltd.	Joint Venture	₹ 10	50,00,000	-	17.44	-
Total						17.44	-
2	Investment in preference shares in Associates						
a)	Krebs Biochemicals & Industries Ltd.- Unquoted (9% Non convertible, Redeemable & Non Cumulative Preference shares)	Associate	₹ 100	100.00% 1,30,00,000	100.00% 1,30,00,000	130.00	130.00
Total						130.00	130.00
3	Investments at fair value through P&L (fully paid)						
Unquoted equity shares							
a)	Gujarat Industrial Co-Op Bank Ltd.	Others	₹ 50	140	140	-	-
b)	Narmada Clean Tech	Others	₹ 10	35,000	35,000	0.04	0.04
c)	BEIL Infrastructure Ltd. #	Others	₹ 10	1,134	1,134	-	-
Total						0.04	0.04

Value of shares ₹ 11,340/-

The fair value of these investments are not determinable and are not material to these financial statements.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**4 Investments at fair value through OCI (Unquoted)**

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Investment in ABCD Technologies LLP (refer note below)	25.37	25.15
Total	25.37	25.15

5 Aggregate value of investments

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments	119.56	107.07
Aggregate market value of quoted investments	161.15	229.09
Aggregate book value of unquoted investments	183.10	162.81

6 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 year 2021-22, the Company has acquired additional 11,000 shares. 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, 20% during the year 2020-21 & additional 13.09% during the year 2021-22 in Trophic Wellness Pvt. Ltd. and status of Trophic Wellness Pvt. Ltd. is changed from associate to subsidiary w.e.f 11th June 2021. Trophic Wellness Pvt. Ltd. is engaged in the manufacturing and marketing of nutraceuticals with its manufacturing unit situated in Sikkim. During the current year company has acquired additional 6.53% in Trophic Wellness Pvt. Ltd. resulting in total equity holding of 58.88%.

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 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 Vishakhapatnam. 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 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 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

Lyka Labs Limited was incorporated in 1976. In the year 2021-22 the company has acquired 26.58% shareholding & during the year Company has acquired additional shareholding to the extent of 4.78% of Lyka resulting into total holding percentage to 31.36%. Lyka Labs Limited is engaged in the business of manufacturing and marketing of injectables, lyophilized injectables and topical

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

formulations. Lyka's Manufacturing facility is situated at Ankleshwar, Gujarat. Lyka's shares are listed at BSE & NSE. During the previous year the company had entered into a joint management control agreement with the promoters of the said company and in current year appointed independent director w.e.f 8th August 2022, with this the status of Lyka Labs Limited has been changed from associates to Joint venture w.e.f 8th August 2022.

Convertible Share Warrants (partly paid)- During the year company has also been allotted 50,00,000 convertible share warrants of ₹ 10 each partly paid. These warrants are convertible into equity shares in one or more tranches, at the option of the allottee, within a period of 18 months of its allotment.

e) Investment in ABCD Technologies LLP :

During the previous 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. In terms of the 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.

f) Disclosure required under Schedule III on utilization of borrowed funds and share premium:

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.

g) 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.

4B Current Investments

Sr. no.	Name of the Mutual Fund Scheme	No. Of Units		₹ Crores	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Quoted investments					
Investments at fair value through P&L (fully paid)					
Investments in Mutual Fund					
	Aditya Birla Sun Life Liquid Fund- Regular - Growth	5,64,451	44,73,764	20.31	152.30
	Kotak Liquid Scheme - Growth	2,32,699	64,798	105.12	27.73
	Nippon India Liquid Fund-Growth	29,388	1,35,045	16.03	69.74
	INVESCO India Liquid fund- Growth	87,390	68,874	26.81	20.01
	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-Dir-Growth	-	10,75,433	-	33.00
	Kotak FMP Series 294 - Direct - Growth	-	4,99,97,500	-	50.04
	Kotak Money Market Fund-Direct - Growth	1,05,355	1,68,598	40.33	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	46,828	1,59,353	16.61	53.39

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

Sr. no.	Name of the Mutual Fund Scheme	No. Of Units		₹ Crores	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	Nippon India Quarterly Interval Fund - Series 3 - Direct - Growth	-	1,73,87,008	-	30.08
	SBI Liquid Fund - Growth	8,689	18,204	3.04	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
	Axis Liquid Fund-Growth	1,88,644	-	46.86	-
	DSP Liquidity Fund-Growth	1,51,232	-	48.21	-
	Total Current Investments			323.32	719.31

Aggregate value of investments

Particulars	(₹ Crores)	
	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments	323.32	719.31
Aggregate market value of quoted investments	323.32	719.31

4C Details of loans given, investments made, guarantees given and security provided covered under section 186(4) of the Companies Act,2013 are given hereunder:

Sr. no.	Name of the party	Nature	Relation	Purpose	(₹ Crores)	
					2022-23	2021-22
1	Krebs Biochemicals & Industries Ltd.	Loan	Associate	Loan given for business purpose	41.00	24.95
2	Krebs Biochemicals & Industries Ltd. - Quoted	Investment	Associate	Equity Share Contribution	-	16.68
3	Krebs Biochemicals & Industries Ltd.- Unquoted	Investment	Associate	Preference Share contribution	-	100.00
4	Avik Pharmaceutical Ltd.	Investment	Joint Venture	Equity Share contribution	-	0.11
5	Lyka Labs Ltd. - Quoted	Investment	Joint Venture	Equity Share contribution	27.90	98.11
6	Lyka Labs Ltd. - Unquoted	Investment	Joint Venture	Share warrant	17.44	-
7	Lyka Labs Ltd.	Loan	Joint Venture	Loan for business purpose	98.00	5.00
8	Trophic Wellness Pvt. Ltd. - Unquoted	Investment	Changed from Associate to subsidiary w.e.f. 11th June 2021	Equity Share contribution	-	21.20
9	Makers Laboratories Ltd.	Loan	Related Party	Loan given for business purpose	2.00	6.40
10	Resonance Specialties Ltd.	Loan	Related Party	Loan given for business purpose	2.00	-
11	Other non-related corporate body	Loan	Other non-related corporate body	Loan given	30.00	35.00
	Total				218.34	307.45

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, 2023
4D The Associates and Joint venture of the Holding Company and the ownership interest for the year 2022-23 are as follows: -

(₹ Crores)

Particulars	CCPL Software Private Ltd.**	Krebs Biochemicals & Industries Ltd.	Lyka Labs Ltd.	Avik Pharmaceutical Ltd.	Total
% of Share held for 2021-22	28.95%	49.65%	26.58%	50.00%	
Original cost of Investment	1.31	78.76	98.10	6.95	183.81
(Goodwill)/Capital Reserve	(0.79)	(80.61)	(92.25)	(10.96)	
Accumulated Profit/ (Loss) up to 31/03/2022	(0.51)*	(67.35)	(2.48)	0.53	(69.30)
Accumulated other comprehensive income up to 31/03/2022	-	(0.03)	0.07	0.14	0.18
% of Share held for 2022-23	28.95%	49.65%	31.36%	50.00%	
Increase in Investment during the year 2022-23	-	-	27.89	-	27.89
(Goodwill)/Capital Reserve increase during the year	-	-	(25.75)	-	
Share of Profit / (Loss) for the year 2022-23	*	(12.13)	(3.42)	2.61	(12.94)
Share of Other comprehensive income for the year 2022-23	-	0.16	(0.01)	0.02	0.17
Carrying value of Investment on 31/03/2023	NIL**	(0.59)	120.15	10.25	129.81

4E 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

* 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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**5 Financial Assets - Loans at amortised cost (Unsecured)**

(₹ Crores)

Sr. no.	Particulars	As at March 31, 2023		As at March 31, 2022	
		Non Current	Current	Non Current	Current
(a)	Loans to related parties - considered good	115.32	-	70.78	8.90
(b)	Loans given to employees- considered good	0.58	1.48	0.62	1.44
(c)	Loans given to Others- considered good	-	1.75	-	-
	Total	115.90	3.23	71.40	10.34

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, 2023	Maximum outstanding during the year 2022-23	Balance as at March 31, 2022	Maximum outstanding during the year 2021-22
i)	Krebs Biochemicals & Industries Ltd. - Associate	43.00	43.00	2.00	79.93
ii)	Avik Pharmaceutical Ltd. - Joint Venture	12.32	13.78	13.78	14.18
iii)	Makers Laboratories Ltd.- Related Party	2.00	8.90	8.90	6.40
iv)	Lyka Labs Ltd.- Joint Venture	58.00	103.00	55.00	55.00
v)	Resonance Specialties Ltd.	-	2.00	-	-
	Total	115.32	170.68	79.68	155.51

- b) Disclosure u/s 186(4) of the Companies Act 2013 is made under Investment schedule vide Note reference - 4C
- c) Investment by the loanee in the shares of the Holding Company:
None of the loanees have, per se, made investments in the shares of the Holding Company.
- d) 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 :

The loan given without stipulation is given below

(₹ Crores)

Type of Borrower	As on 31.03.2023		As on 31.03.2022	
	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
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	12.32	10.34%	13.78	16.86%

6 Financial Assets - Others at amortised cost

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non Current	Current
Deposits:				
Considered good				
- With related party	42.50	-	39.35	-
- With others	19.39	0.97	16.26	1.54
Which have significant increase in Credit Risk	-	-	-	-
	61.89	0.97	55.61	1.54
Less : Provision for expected credit loss	-	-	-	-
	61.89	0.97	55.61	1.54
Advances to employees				
- Considered good	-	1.18	-	0.93
- Considered doubtful	-	0.33	-	0.45
	-	1.51	-	1.38
Less : Provision for expected credit loss	-	(0.33)	-	(0.45)
	-	1.18	-	0.93
Deposit with others	1.49	-	0.69	-
Other income receivables	0.06	6.94	5.03	0.89
Interest accrued receivable from Banks	-	22.92	-	1.47
Interest accrued receivable from related party	-	7.30	-	7.15
Claim receivables	-	39.49	-	45.48
Duties and Taxes Refundable	-	-	0.69	-
Unbilled revenue	-	7.09	-	7.22
Forward contract gain receivable	-	0.24	-	12.67
Term deposits with Banks*	7.62	11.00	7.91	11.00
Royalty Receivable	-	1.23	-	0.37
Total	71.06	98.36	69.93	88.72

* Term deposit of ₹ 11.00 crores (previous year ₹ 11.00 crores) has been provided as security by way of lien with RBL Bank 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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**7 Other Non-Financial Assets**

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non Current	Current
(i) Capital advances (Unsecured, considered good)	37.05	-	39.66	-
(ii) Prepaid expenses	1.52	31.19	1.76	18.86
(iii) Deposits with Govt. departments*				
- Considered good	11.46	0.47	-	9.09
(iv) Unutilized Indirect tax credit	-	57.12	-	93.36
(v) Advance to suppliers	-	29.84	-	31.76
(vi) Export benefits receivables	-	9.18	-	17.17
(vii) Advances to employees	-	2.84	-	2.73
(viii) Others	0.31	5.74	1.51	3.04
(ix) Duties and taxes refundable	-	42.35	-	42.92
(x) Prepaid taxes (net of provisions)	1.82	-	1.58	-
Total	52.16	178.73	44.51	218.93

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.

* Deposit with Govt. departments comprises of deposits paid under protest.

8 Inventories

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
i) Raw materials				
In hand	568.32		549.64	
In transit	90.97	659.29	138.85	688.49
ii) Packing materials				
In hand	57.85		49.18	
In transit	0.47	58.32	-	49.18
iii) Work-in-progress		326.93		357.92
iv) Finished goods				
In hand				
Own	507.49		554.27	
Traded	128.27	635.76	132.41	686.68
In transit				
Own	19.69		37.30	
Traded	0.90	20.59	2.05	39.35
v) Stores, spares and others		42.48		36.35
Total		1,743.37		1,857.97

All the above inventory other than stores & spares are hypothecated to the lenders as security towards short-term borrowings.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

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, 2023	As at March 31, 2022
(i) Amount of inventories recognised as an expense during the period.	2,369.07	2,080.26
(ii) Amount of write - down of inventories recognised as an expense during the period.	9.54	5.97
Total	2,378.61	2,086.23

9 Financial Assets - Trade receivables at amortised cost (Unsecured)

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good :	989.02	910.78
Which have significant increase in credit risk	0.45	0.92
Credit impaired	0.23	0.34
	989.70	912.04
Less : Provision for expected credit loss	(0.68)	(1.26)
Total	989.02	910.78

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, 2023	As at March 31, 2022
Default rate - Local	0.55%	0.57%
Default rate - Export	0.27%	0.57%

Movement in the expected credit loss allowance

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	(1.26)	(0.81)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	0.58	(0.45)
Provision at the end of the period	(0.68)	(1.26)

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**Trade Receivables as on 31.03.2023, 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	832.18	146.62	8.27	1.66	0.29	-	989.02
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.42	0.02	0.01	-	-	0.45
(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	-	-	-	-	0.13	0.10	0.23
Total	832.18	147.04	8.29	1.67	0.42	0.10	989.70

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
Total	760.81	143.35	4.79	1.95	1.04	0.10	912.04

10 Financial Assets - Cash & Cash Equivalents

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
In Current Accounts	91.37	71.83
Deposit with original maturity of less than three months	1,166.17	203.00
Cash on hand	0.31	0.36
Total	1,257.85	275.19

Note: Balance with bank in current account as on March 31, 2023 includes balance with one bank account of erstwhile Noble Explochem Limited aggregating to ₹ 15,608/- (previous year ₹18,768/-) where change of account name in Company's name is in process. Further, ₹ Nil/- (previous year ₹ 3,593/-) is lying in bank A/C - "CIRP Account Noble Explochem Limited" opened by Resolution Professional now operated by the Company.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023
11 Financial Assets - Bank balances other than (10) above

(₹ Crores)

Particulars	As at	
	March 31, 2023	March 31, 2022
Unclaimed dividend accounts	1.40	1.29
Balances with banks:		
Fixed Deposit with Bank*	593.99	364.18
Total	595.39	365.47

* Note: Includes Fixed Deposit of ₹ 5 Crores PY: ₹ NIL on which lien is marked by Yes Bank for credit facilities sanctioned to the Company. The Company has not filed charges with MCA for the same.

12 Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Authorized capital *				
Equity shares of ₹ 1 each	57,60,00,000	57.60	57,00,00,000	57.00
Issued & subscribed				
Equity Shares of ₹ 1 each	25,62,66,408	25.63	25,62,66,408	25.63
Paid up equity shares of ₹ 1 each (Refer Note no. 12(v) below)	25,37,04,218	25.37	25,37,04,218	25.37
Total		25.37		25.37

* Authorized capital has been enhanced pursuant to merger of Ramdev Chemical Private Limited and Tonira Exports Limited. Refer note 12 (vi) below

Disclosures:
i) Reconciliation of Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	(₹ Crores)	Number of Shares	(₹ Crores)
Shares outstanding at the beginning of the year (Face value of ₹ 1/- each)	25,37,04,218	25.37	12,68,52,109	25.37
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 12(v) below)	-	-	12,68,52,109	-
Shares outstanding at the end of the year	25,37,04,218	25.37	25,37,04,218	25.37

ii) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held (Face value of ₹ 1 each)	%	Number of shares held (Face value of ₹ 1 each)	%
Kaygee Investments Private Limited	5,44,78,390	21.47%	5,44,78,390	21.47%
Kaygee Laboratories Private Limited	1,67,70,000	6.61%	1,67,70,000	6.61%
Chandurkar Investments Private Limited	1,39,56,010	5.50%	1,39,56,010	5.50%
DSP Mid Cap Fund	1,39,83,189	5.51%	1,30,20,120	5.13%
HDFC Trustee company Ltd-A/c Hdfc Mid Cap opportunities Fund	1,39,37,619	5.49%	-	-

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**iii) Rights and obligations of shareholders**

The Company has only one class of share referred as equity shares having a par value of ₹ 1/- 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 if recommended by management 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 31.03.2023			Shares held by promoters at the end of the year 31.03.2022		
		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%	-	5,44,78,390	21.47%	-
2	Chandurkar Investments Pvt. Ltd.	1,39,56,010	5.50%	-	1,39,56,010	5.50%	-
3	Kaygee Laboratories Pvt. Ltd.	1,67,70,000	6.61%	-	1,67,70,000	6.61%	-
4	Paschim Chemicals Pvt. Ltd.	1,01,38,000	4.00%	-	1,01,38,000	4.00%	-
5	Xbees Traders LLP (Formerly Paranthapa Investments and Traders Pvt. Ltd.)	31,000	0.01%	-	31,000	0.01%	-
6	Makers Laboratories Ltd.	960	0.00%	-	960	0.00%	-
7	M. R. Chandurkar	-	-	-1.70%	43,02,000	1.70%	-
8	Usha M. Chandurkar	83,02,000	3.27%	1.70%	40,00,000	1.58%	-
9	Sameer M. Chandurkar	20,00,000	0.79%	-	20,00,000	0.79%	-
10	Premchand Godha	58,14,680	2.29%	-	58,14,680	2.29%	-
11	Usha P. Godha	24,18,740	0.95%	-	24,18,740	0.95%	-
12	Prashant Godha	15,68,644	0.62%	-	15,68,644	0.62%	-
13	Pranay Godha	17,00,990	0.67%	-	17,00,990	0.67%	-
14	Kalpana Jain	2,30,000	0.09%	-	2,30,000	0.09%	-
15	Bhawna Godha	5,000	0.00%	-	5,000	0.00%	-
16	Neetu Godha	4,000	0.00%	-	4,000	0.00%	-
17	Nirmal Jain	-	0.00%	-	-	0.00%	-
18	Mexin Medicaments Pvt. Ltd.	14,058	0.01%	-	14,058	0.01%	-
	Total	11,74,32,472	46.29%		11,74,32,472	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.

vi) Disclosure as required by Ind AS 103 Business Combination**A Merger of Ramdev Chemical Private Limited and Tonira Exports Limited with Ipca Laboratories Limited**

Pursuant to the Scheme of Merger ('the Scheme') of Ramdev Chemical Private Limited (Ramdev) and Tonira Exports Limited (Tonira) with Ipca Laboratories Limited (Ipca) under the provisions of Sections 230 to 232 of the Companies Act, 2013 which has been approved by the National Company Law Tribunal vide their order delivered on 27th April 2023, which has been filed with the Registrar of Companies on May 23, 2023, to make the Scheme effective. All the assets and liabilities, both movable and immovable, all other interest, rights and power of every kind, and all its debts, liabilities, including contingent liabilities, duties and obligations have been transferred to and vested in the Transferee company with effect from the Appointed Date 1st April 2022. Accordingly, the Scheme has been given effect to in these accounts. Since the Business Combination is of entities under common control in accordance with the Appendix C of Ind AS 103, the financial information in the financial

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the Company has accounted for the Scheme in its books of accounts with effect from 1st April 2021 as required by Appendix C of Ind AS 103 "Business Combination". Figures for financial year 2021-22 are accordingly restated to give effects of the merger.

B Issue of Shares/Consideration: Since Ramdev Chemical Private Limited and Tonira Exports Limited are the wholly owned subsidiaries of the Company, there was no exchange/issue of shares by the Company to the shareholders of Ramdev Chemical Private Limited and Tonira Exports Limited.

C Salient Features of the Scheme of Merger by Absorption

(i) Description of Companies and Background of Ramdev Chemical Private Limited

Ramdev Chemical Private Limited (CIN: U24200MH1999PTC120863) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at Plot No.142-AB, Kandivli Industrial Estate, Kandivli (West) Mumbai City, MH 400067 IN. The Transferor Company is a pharmaceutical company manufacturing in all forms, heavy chemicals of all kinds, (Solid, liquid, gaseous), bulk drugs, medicinal and pharmaceuticals products. The products of the Company are sold in and outside India. The Company has a manufacturing unit in India at Tarapur (Maharashtra) for manufacturing of Active Pharmaceutical Ingredients (Bulk Drugs) (APIs).

(ii) Description of Companies and Background of Tonira Export Limited

Tonira Export Limited (CIN: U51909MH1995PLC248308) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at 142AB, Kandivli Industrial Estate Kandivli (West) Mumbai City, MH 400067 IN. The Transferor Company currently is not engaged in any active business. The Company was the wholly owned subsidiary of Tonira Pharma Ltd. and became wholly owned subsidiary of Ipca laboratories Limited (Transferee Company) upon merger of the said Tonira Pharma Ltd. with Ipca Laboratoies Ltd. (Transferee Company) in April, 2012.

(iii) Appointed date

The appointed date for the purpose of this amalgamation is 1st April 2022.

(iv) Accounting Treatment

In accordance with the scheme approved, the accounting for this amalgamation has been done in accordance with the "Pooling of Interest Method" referred to in Appendix C - Business combinations of entities under common control of Indian Accounting Standard 103- "Business Combination" of the Companies (Indian Accounting Standards) Rules, 2015.

D Ipca has accounted for the Scheme in its books of accounts with effect from 1st April 2021 as explained in para (vi) A above. and accordingly has restated prior period comparative.

(i) With effect from 01st April 2021, all assets and liabilities appearing in the books of accounts of Ramdev and Tonira have been transferred to and vested in Ipca and have been recorded by Ipca at their respective carrying values.

(ii) The difference between the carrying values of net identifiable assets and liabilities of Ramdev Chemical Private Limited transferred to Ipca Laboratories Limited pursuant to this scheme and the value of investments in the books of Ipca Laboratories Limited has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103.

In the case of Tonira Exports Limited, there was no difference between the carrying values of net identifiable assets and liabilities and the equity. However the existing reserves have retained their character on merger with Ipca.

(iii) All inter company transactions have been eliminated on incorporation of the accounts of Ramdev Chemical Private Limited and Tonira Exports Limited in Ipca Laboratories Limited.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

E Disclosure in accordance with Appendix C of IND AS 103- Business combinations of entities under common control:

*	Names and general nature of business of the combining entities	<p>Ramdev Chemical Private Limited (CIN: U24200MH1999PTC120863) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at Plot No.142-AB, Kandivli Industrial Estate, Kandivli (West), Mumbai City, MH 400067 IN. The Transferor Company is a pharmaceutical company manufacturing in all forms, heavy chemicals of all kinds, (Solid, liquid, gaseous), bulk drugs, medicinal and pharmaceuticals products. The products of the Company are sold in and outside India. The Company has a manufacturing unit in India at Tarapur (Maharashtra) for manufacturing of Active Pharmaceutical Ingredients (Bulk Drugs) (APIs).</p> <p>Tonira Exports Limited (CIN: U51909MH1995PLC248308) is a Private Limited Company incorporated under the Companies Act, 1956 having its registered office at 142AB, Kandivli Industrial Estate, Kandivli (West), Mumbai City, MH 400067 IN. The Transferor Company currently is not engaged in any active business. The Company was the wholly owned subsidiary of Tonira Pharma Ltd. and became wholly owned subsidiary of Ipca laboratories Limited (Transferee Company) upon merger of the said Tonira Pharma Ltd. with Ipca Laboratories Ltd. (Transferee Company) in April, 2012.</p> <p>Ipca Laboratories Limited (CIN:L24239MH1949PLC007837) is a listed public limited company incorporated under the Companies Act, 1913 having its registered office at 48 Kandivli Industrial Estate, Kandivli (W), Mumbai, 400067 Maharashtra, India. The Transferee Company was originally incorporated to engage in the business of manufacturing and marketing of drugs and pharmaceuticals, chemicals, cosmetics and toiletries products on October 19, 1949 under the Companies Act, 1913, with the Registrar of Companies, Maharashtra, Mumbai as 'The Indian Pharmaceutical Combine Association Limited'. The name of the Company was changed to 'Ipca Laboratories Limited'.</p>
*	The date on which the transferee obtains control of the transferor	The transferors were already wholly owned subsidiaries of the transferee and control existed from a prior date. The appointed date as per scheme is April 1, 2022.
*	Description and number of shares issued, together with the percentage of each entity's equity shares exchanged to effect the business combination	No shares were exchanged / issued

The amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed.	Assets Recognized		
	Particulars	Ramdev	Tonira
	Property , Plant and Equipment	73.27	0.13
	Non Current Assets	6.36	-
	Deferred Tax Assets	-	0.03
	Current Assets	31.07	-
	Cash and Cash Equivalent	0.75	0.07
	Other Bank Balance	0.35	-
	Total Assets	111.80	0.23
	Liabilities Recognized		
	Non Current Liabilities	1.27	-
	Current Liabilities	31.89	-
	Deferred Tax Liabilities	7.07	-
	Total Liabilities	40.23	-
Consideration Paid	108.72	0.10	
Amalgamation Adjustment Deficit Account	37.14	-	

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

*	The amount of any difference between the consideration and the value of net identifiable assets acquired, and the treatment thereof	The difference between the carrying values of net identifiable assets and liabilities of Ramdev Chemical Private Limited transferred to Ipca Laboratories Limited pursuant to this Scheme and the value of consideration paid, amounting to ₹ 37.14 Crores has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103.
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F Changes to Consolidated Financial Statements on account of merger:

During the year the Company has given effect of merger of Ramdev and Tonira with the Company vide NCLT Order dated April 27, 2023. These entities were 100% subsidiaries of the Company and were already incorporated in the Consolidated Financial Statements till March 31, 2022.

On merger as aforesaid following appendix C of Ind AS 103, the merger is accounted as under common control transaction at the carrying value of assets and liabilities from the date of control or the first date of the previous comparative which ever is later, thus the effect of merger is given as at April 1, 2021.

On account of this the Company has adjusted the Amalgamation Adjustment Deficit account as computed for standalone to give effects of the Other Equity already incorporated for Consolidated Financial Statements.

Hence the Amalgamation Adjustment Deficit account which is carried at ₹ 37.14 crores in Standalone Financial Statements is carried at ₹ 27.13 crores in Consolidated Financial Statements representing the loss of the amalgamating entity forming part of retained earnings as at April 01, 2021.

13 Other Equity

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
(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		4,404.01		4,036.06
(f) Amalgamation adjustment deficit account		(27.13)		(27.13)
(g) OCI Reserve				
- Fair Value of Investments through OCI	0.25		0.12	
- Cash flow hedging reserve	-		(0.20)	
- Foreign currency translation reserve	25.10	25.35	16.20	16.12
Total		5,816.65		5,439.47

Nature and purpose of each reserve

(a) Capital Reserve

During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

(b) 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.

(c) 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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

(d) 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.

(e) 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.

(f) Amalgamation adjustment deficit

The difference between the carrying values of net identifiable assets and liabilities of the transferor Company transferred to the transferee Company pursuant to the Scheme and the value of consideration paid, has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103, Business Combination of Entities under common control.

(g) 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.

(h) 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.

14 Financial Liabilities - Borrowings

a) Long-term Borrowings - Secured

(₹ Crores)

Particulars	Non - current portion		Current Maturities (read with note no.19)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
i. Foreign currency term loan	92.45	22.74	30.82	9.47
ii. Rupee Term Loan	559.33	372.44	113.11	18.78
Total (a)	651.78	395.18	143.93	28.25

Details of above:-

(₹ Crores)

Sr. No.	Nature of Loan/ Institutions	Non - current portion		Current Maturities	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
i. Foreign currency term loans	- ECB-JP Morgan Chase Bank, Singapore	92.45	22.74	30.82	-
	- Citibank N.A., Jersey	-	-	-	9.47
ii. Rupee Term Loan	- HDFC Bank Ltd.	559.33	372.44	113.11	18.78
	Total	651.78	395.18	143.93	28.25

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

b) 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 secured by way of an exclusive charge on Solar and Wind projects of the company.

Repayable in 16 quarterly equal installments of USD 9,37,500 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.

The entire loan from Citi bank is repaid in the current year.

(ii) Rupee Term Loan (Secured)

1 Term Loan-I - 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 installments from June 14, 2022.

Financial Year	Amounts (₹ Crores) per quarter
2022 - 2023	4.69
2023 - 2027	23.28

2 Term Loan-II - HDFC Bank Ltd.

Secured by pari-passu first charge on all present and future movable fixed assets except solar and wind projects. Movable fixed assets including but not limited to plant and machinery, spares, tools and accessories, and excluding any fixed assets already charged to other lenders.

Repayment in 20 quarterly installments from June 27, 2023.

Financial Year	Amounts (₹ Crores) per quarter
2023 - 2024	5.00
2024 - 2028	17.50

c) Term loans taken during the year, have been used for the specific purpose for which it was taken.

d) Maturity profile of borrowings is as per the original sanction terms without Ind AS effects.

(₹ Crores)

Particulars	March 31, 2023	March 31, 2022
Installment payable within 1 year	143.93	28.25
Installment payable between 1 to 2 years	387.85	197.59
Installment payable between 2 to 5 years	263.93	197.59
Installment payable beyond 5 years	-	-
Total	795.71	423.43

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e) The long-term loans are taken at the following rates.

Particulars	As at March 31, 2023	As at March 31, 2022
	Interest Band	
Rupee Term Loan-I	3 months TBILL + 0.94%	3 months TBILL + 0.94%
Rupee Term Loan-II	1 month TBILL + 1.10%	-
Foreign currency loan	3 months Term SOFR + 0.90%	3 months Term SOFR + 0.60% to 0.90%

f) **Registration of charges or satisfaction with Registrar of Company****Registration of charges**

As at March 31st, 2023, the company has registered all charges duly with Registrar of the Companies in favor of the lenders except in respect of term loan from HDFC bank Ltd sanctioned and disbursed in March 2023. As per sanction letter, the security shall be created within 6 month from the date first disbursement.

Satisfaction of charges

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 have communicated or demanded any outstanding amount from the Company. The summarised details are as under:

No. of Cases	Aggregate Amount (₹Crores)	Period range	Reason
20	58.15	1961-2005	Old cases-Records not available/being taken up with lenders.
8	42.26	1972-2010	Necessary form filed, however, ROC records not updated.

g) **Reconciliation of cash flows from financing activities as per Ind AS 7**

(₹ Crores)

Particulars	Lease liabilities	Interest	Long term borrowings	Short term borrowings
Balance as on April 1, 2021	13.05	0.17	9.13	243.21
Interest accrued	1.28	5.62	-	-
Changes from financing cash flows	(7.16)	(4.90)	346.98	193.34
Exchange (gain) / loss	-	-	0.60	(2.14)
Acquisition through Business Combination	0.58	-	-	-
Addition during the year	8.23	-	-	-
Transfer within categories	-	-	38.47	(38.35)
Non cash changes	-	-	-	-
Closing balance as on March 31, 2022	15.98	0.89	395.18	396.06
Interest accrued	1.65	42.80	-	-
Changes from financing cash flows	(9.16)	(39.83)	363.44	294.27
Exchange (gain) / loss	(0.05)	-	8.84	(0.26)
Addition during the year	15.32	-	-	-
Transfer within categories	-	-	(115.68)	115.68
Non cash changes	-	-	-	-
Closing balance as on March 31, 2023	23.74	3.86	651.78	805.75

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

15 Other Financial Liabilities

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Deposits from customers	-	1.16	0.11	1.19
Interest accrued	-	3.86	-	0.89
Unpaid dividends	-	1.40	-	1.29
Amount payable on hedging transactions	-	11.03	-	-
Payable for capital goods	-	69.11	-	122.48
Other Liabilities	-	23.04	-	10.97
Employee Liability	-	78.17	-	67.93
Provision for expenses	-	80.77	-	97.06
Total	-	268.54	0.11	301.81

16 Provisions

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Gratuity	1.67	1.90	1.39	1.71
Provision for compensated absence	45.32	7.06	41.34	6.21
Other employee related provision	-	5.06	-	2.22
Provision for breakage/damage	-	4.68	-	6.15
Provision for product expiry	-	75.39	-	71.50
Provision for sales return	-	11.38	-	13.73
Provision for Tax (net of prepaid)	-	2.56	-	-
Total	46.99	108.03	42.73	101.52

16.1 The disclosure of provisions movement as required by Ind AS 37 is as follows:-

(₹ Crores)

Particulars	2022-23	2021-22
(i) Provision for breakage/damage		
Balance at the beginning of the period	6.15	6.51
Provisions made during the period	7.06	8.06
Utilizations during the period	(8.53)	(8.42)
Provision at the end of the period	4.68	6.15
(ii) Provision for product expiry		
Balance at the beginning of the period	71.50	62.22
Provisions made during the period	52.53	51.68
Utilizations during the period	(48.64)	(42.40)
Provision at the end of the period	75.39	71.50
(iii) Provision for sales return		
Balance at the beginning of the period	13.73	14.50
Provisions made during the period	31.06	36.13
Utilizations during the period	(33.41)	(36.90)
Provision at the end of the period	11.38	13.73
(iv) Provision for wage arrears under negotiation		
Balance at the beginning of the period	2.22	12.98
Provisions made during the period	2.84	0.39
Utilizations during the period	-	(11.15)
Provision at the end of the period	5.06	2.22

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**16.2 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.

Particulars	(₹ Crores)	
	As at March 31, 2023	As at March 31, 2022
Expense recognised in Statement of Profit & Loss		
Current service cost	10.69	10.13
Interest expense	6.83	5.66
Expected return on plan assets	(7.00)	(6.00)
Total	10.52	9.79
Expense recognised in Other Comprehensive Income		
Return on plan assets (greater)/Less than discount Rate	(0.02)	(1.11)
Actuarial (gain)/loss due to experience on DBO	2.78	(0.11)
Total	2.76	(1.22)
Present value of funded defined benefit obligation	112.62	99.98
Fair value of plan assets	(109.05)	(96.88)
Funded status	3.57	3.10
Net defined benefit (asset) / liability	3.57	3.10

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	99.98	90.75
Liability raised due to acquisition through business combination	-	0.22
Current service cost	10.69	10.13
Interest cost	6.82	5.66
Actuarial (gain)/loss	2.78	(0.11)
Benefits paid	(7.66)	(6.67)
Present value of defined benefit obligation at the end of the year	112.61	99.98
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	96.88	88.25
Expected returns on plan assets	7.00	6.00
Remeasurement (gains)/losses:		
Actuarial (gain)/loss on plan assets	0.02	1.11
Contribution from employer	12.63	8.05
Benefits paid	(7.48)	(6.53)
Closing fair value of the plan asset	109.05	96.88
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (gain)/loss arising from experience adjustments	2.78	(0.11)
Actuarial (gain)/loss on plan assets	(0.02)	(1.11)
Total Actuarial (Gain)/Loss included in OCI	2.76	(1.22)

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, 2023	As at March 31, 2022
Financial assumptions		
Discount rate	7.52%	7.23%
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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation		
Discount rate		
a. Discount rate - 100 basis points	120.52	107.67
b. Discount rate + 100 basis points	105.08	93.28
Salary increase rate		
a. Rate - 100 basis points	104.92	93.58
b. Rate + 100 basis points	120.56	107.19

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.

The gratuity liability for employees who are transferred under the scheme of merger is unfunded. The closing liability for the transferred employees is ₹ 1.49 Crores. (Current- ₹ 0.09 Crores and Non-current- ₹ 1.40 Crores).

17 Deferred Tax Liabilities (Net)

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
Deferred tax liabilities on account of :				
Property, plant and equipment and ROU Assets	207.19		265.89	
Fair value of investments	0.65	207.84	-	265.89
Deferred tax asset on account of :				
Compensated absences	13.12		16.98	
Bonus /Expenses	0.76		1.05	
Lease Liability	4.48		5.37	
Trade Receivables	0.19		0.19	
Employees Benefits	0.13		-	
MAT Credit available *	-		72.43	
Unabsorbed Tax losses	-	18.68	5.49	101.51
Net deferred tax liability		189.16		164.38

Deferred Tax Assets (Net)

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Unrealised profit on inter group transaction	1.84	-
Others	1.73	2.02
Net deferred tax assets	3.57	2.02

* The Government of India had issued the Taxation Laws (Amendment) Act, 2019, which provides domestic companies an option to pay corporate tax at reduced rates effective from April 1, 2019 subject to certain conditions. The Company, in the quarter ended June 30, 2022, has decided to opt for a lower tax regime under section 115BAA (New Scheme) with effect from this financial year. In view of the same, outstanding MAT credit balance, which would not be available for set-off in future under the lower tax regime, has not been considered and the liability is reassessed at the new tax regime rate. As a result of the adoption of the New Scheme, net charge to the profit and loss is ₹ 8.76 crores (MAT credit charged off ₹ 72.46 Crores and Rate change impact ₹ 63.70 Crores) which has been effected in the year ended March 31, 2023. Provision for Current tax and deferred tax has been considered accordingly.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

18 Other Non-Financial Liabilities

(₹ Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Security Deposit	-	-	1.56	-
Advance from customers - Contract Liability	-	27.25	-	26.62
Duties & Taxes Payable	-	34.03	-	51.80
Deferred Income	0.28	0.15	0.43	0.15
Other Payables	-	7.59	-	7.41
Total	0.28	69.02	1.99	85.98

19 Financial Liabilities - Short - term Borrowings

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Loans:		
Working capital loan from banks *	62.20	131.14
Current maturities of long-term debt (refer note no.14)	143.93	28.25
Unsecured Loans:		
Working capital loan from banks	599.62	236.67
Total	805.75	396.06

- 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) Quarterly statements of stocks and other current assets filed by the Holding Company with banks are in agreement with the books of accounts.

20 Financial Liabilities - Trade Payables

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Trade payables for goods and services:		
- Total outstanding dues of Micro and small enterprises	123.62	72.23
- Others	361.09	423.40
b) Acceptances	40.35	62.07
Total	525.06	557.70

Trade payables (other 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, 2023	As at March 31, 2022
Principal amount due	123.62	72.23
Interest due on above	0.06	0.01
Amount paid in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006		
- Principal amount paid beyond appointed day	4.31	4.76
- 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	0.08	0.03
Amount of further interest remaining due and payable in the succeeding year	-	-

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

The Group has compiled the above information based on written confirmations collected by the Group from suppliers.

Trade Payables as on 31.03.2023 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	121.58	2.04	-	-	-	123.62
(ii) Others	232.32	155.93	12.38	0.13	0.57	401.33
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.03	0.08	0.11
Total	353.90	157.97	12.38	0.16	0.65	525.06

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	461.16	94.06	1.50	0.85	0.13	557.70

21 Current Tax Liabilities (Net)

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (net of taxes paid)	22.76	18.33
Total	22.76	18.33

22 Revenue from Operations (Net)

(₹ Crores)

Particulars	2022-23	2021-22
Sale of products	6,062.14	5,629.69
Sale of services	144.71	136.77
Other operating revenues:		
Export incentives	5.93	30.16
Sundry balances w/back	1.71	3.17
Miscellaneous income	29.83	30.00
Total	6,244.32	5,829.79

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

22.1 Disclosure relating to disaggregation by geography of revenue in terms of Ind AS-115

(₹ Crores)

Particulars		2022-23			
		Branded Generics	Generics	APIs	Total
A	Domestic	2,854.93	-	373.05	3,227.98
B	Exports				
	Europe	139.84	382.05	356.22	878.11
	Africa	53.96	367.90	55.05	476.91
	Americas	48.28	265.08	323.35	636.71
	Asia (Excluding India)	74.44	36.38	377.65	488.47
	CIS	187.56	0.88	32.53	220.97
	Australasia	0.70	273.19	3.81	277.70
	Total (B)	504.78	1,325.48	1,148.61	2,978.87
	Total (A+B)	3,359.71	1,325.48	1,521.66	6,206.85

(₹ Crores)

Particulars		2021-22			
		Branded Generics	Generics	APIs	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

Disaggregation on the basis of class of customer

(₹ Crores)

Sr. No.	Particulars	2022-23 Exports	2021-22 Exports
A	Institutional Sales	333.04	318.60
B	Non - Institutional Sales	1,306.15	1,168.14
	Total	1,639.19	1,486.74

Note - The above data is only restricted to holding company

22.2 Information about major customers:

No single customer represents 10% or more of the group's total revenue during the year ended March 31, 2023 and March 31, 2022.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

22.3 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:

Particulars	(₹ Crores)	
	2022-23	2021-22
Balances at the beginning of the year	26.62	20.70
Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	26.93	25.91
Less: Revenue recognized that was included in the contract liability balance at the beginning of the year	26.30	19.99
Advances received which have remained outstanding at the end of the year	27.25	26.62

The contractual commitment with respect to contract liability will be executed in one year's time.

23 Other Income

Particulars	(₹ Crores)	
	2022-23	2021-22
Interest income on financial asset at amortised cost		
From Bank	63.71	22.97
Interest income on financial asset at amortised cost	15.64	11.20
Interest income on financial asset carries at FVTPL		
Net gain on sale of mutual fund investments	12.78	9.83
Changes in Fair Value of Investments designated at FVTPL	2.19	6.09
Profit on sale of property, plant & equipment*	16.05	0.91
Miscellaneous income	11.46	14.86
Royalty income	3.79	0.71
Total	125.62	66.57

* Non-current assets held for Sale

The Company has sold non-current assets held for sale in the current year on which Company has recognized profit of ₹ 16.04 Crores.

24 Cost of Materials Consumed

Particulars	(₹ Crores)	
	2022-23	2021-22
Raw Materials Consumed		
Opening stock	688.49	578.49
Add : Purchases (Net of discount)	1,422.40	1,521.28
Add : Acquisition through Business combination	-	4.51
Add : Raw material conversion charges	30.04	24.34
	2,140.93	2,128.62
Less : Closing stock	659.29	688.49
	1,481.64	1,440.13
Packing Materials Consumed		
Opening stock	49.18	37.81
Add : Purchases (Net of discount)	262.30	259.43
Add : Acquisition through Business combination	-	0.37
	311.48	297.61
Less : Closing stock	58.32	49.18
	253.16	248.43
Neutralisation of duties and taxes on inputs on exports - Drawback benefits		
	(26.15)	(24.36)
Total	1,708.65	1,664.20

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

25 Purchases of Traded Goods

(₹ Crores)

Particulars	2022-23	2021-22
Formulations	483.24	467.41
Active Pharmaceutical ingredients/ Intermediates	13.95	12.89
Total	497.19	480.30

26 Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and Traded Goods

(₹ Crores)

Particulars	2022-23		2021-22	
Inventory Adjustments - WIP				
Stock at commencement	357.92		349.23	
Add : Acquisition through Business combination	-		0.41	
Less: Stock at closing	326.93	30.99	357.92	(8.28)
Inventory Adjustments - FG				
Stock at commencement				
- Own	591.57		489.52	
- Acquisition through Business combination	-		8.71	
- Traded	134.46		110.99	
	726.03		609.22	
Less : Loss of stock due to fire	-		4.56	
Less : Stock at closing				
- Own	527.18		591.57	
- Traded	129.17	69.68	134.46	(121.37)
Total		100.67		(129.65)

27 Employee Benefits Expenses

(₹ Crores)

Particulars	2022-23	2021-22
Salaries , bonus , perquisites , etc.	1,168.28	1,056.25
Contribution to provident and other funds	59.87	55.27
Leave encashment	13.97	12.79
Leave travel assistance	3.90	3.32
Gratuity fund contributions	10.69	9.79
Staff welfare expenses	26.93	37.17
Recruitment & training	4.00	2.80
Total	1,287.64	1,177.39

28 Finance Cost

(₹ Crores)

Particulars	2022-23	2021-22
Interest expense	41.06	4.96
Other borrowing cost	0.45	0.45
Interest on Income tax	1.09	0.55
Interest on Indirect tax	1.29	0.45
Interest expenses on lease liability (Refer note no.33)	1.65	1.28
Total	45.54	7.69

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**29 Depreciation & Amortisation**

(₹ Crores)

Particulars	2022-23	2021-22
Depreciation on tangible assets	224.95	202.35
Depreciation on right-of-use assets	11.24	9.85
Amortisation on intangible assets	25.37	20.22
Total	261.56	232.42

30 Other Expenses

(₹ Crores)

Particulars	2022-23	2021-22
Consumption of stores and spares	72.10	71.38
Power and fuel	276.27	235.17
Water charges	7.47	6.95
Freight, forwarding and transportation	157.58	147.82
Outside manufacturing charges	28.90	19.74
Repairs and maintenance	190.27	168.77
Loss on sale of property, plant & equipment	-	0.94
Property, plant & equipment scrapped	2.84	11.36
Commission on sales and brokerage	43.68	32.10
Field staff expenses	113.02	99.35
Sales and marketing expenses	354.91	189.76
Product information catalogue	39.30	33.13
Expenditure on scientific research	46.13	41.79
Laboratory expenses and analytical charges	65.10	59.92
Rent	16.41	15.47
Rates and taxes	13.03	12.02
Travelling expenses	31.61	14.99
Professional charges	40.31	40.57
Printing and stationery	9.91	8.40
Books, subscription and software	7.66	12.90
Product registration expenses	27.50	23.34
GST Expenses	40.06	33.05
Communication expenses	8.52	7.81
Insurance	26.05	24.19
Intellectual property right expenses	0.77	1.22
Remuneration to auditors	0.89	0.63
Remuneration to components' auditors	0.42	0.45
Bank charges	2.65	3.51
Provision for doubtful debts/advances	0.01	0.36
Bad debts and other balance w/off	2.55	0.80
CSR expenses	22.38	18.64
Foreign exchange (gain)/loss-net	31.51	(30.79)
Political contribution	12.71	-
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	30.88	22.55
Total	1,723.40	1,328.29

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ Crores)

Particulars	2022-23	2021-22
Details of:		
1. Repairs and maintenance:		
Building	33.98	26.14
Machinery	139.37	128.67
Others	16.92	13.96
	190.27	168.77
2. Remuneration to auditors:		
Audit fees including Limited Review	0.52	0.60
Tax audit including transfer pricing	0.11	-
Tax matters	0.15	-
Certification and other services	0.05	0.03
Component audit fees	0.06	-
	0.89	0.63

3 The Company consistently discloses the impact of exchange (gain) / loss as part of other expenses to maintain uniformity of disclosure in each quarter and annual accounts.

4 Disclosures:

Total expenditure on R & D is included in respective heads of accounts as under:

(₹ Crores)

Particulars	2022-23	2021-22
Expenditure on Scientific Research (Includes stores and chemicals, Bio-availability, Bio-equivalence and Toxicity Studies)	46.13	41.80
Cost of materials consumed	2.68	2.16
Employee benefits expenses	54.84	50.22
Other expenses	27.11	23.73
Depreciation	15.82	14.61
Total	146.58	132.52

5 Out of total Political Contribution , the Company has made a contribution through Electoral Bonds of ₹ 12.50 crores (P.Y- NIL).

31 Tax Expense

(₹ Crores)

Particulars	2022-23	2021-22
Current Tax	230.14	207.01
Tax expense of previous year	0.22	0.50
Deferred Tax	23.00	17.26
Total	253.36	224.77
i. Reconciliation of current rate of tax and effective rate of tax:		
Profit before Income taxes	745.29	1,135.72
Enacted tax rates in India (%)	25.17%	Range of 34.94% to 25.17%
Taxable Profit Before Tax	800.76	1,156.44
Non Adjustable loss of Components	55.47	20.72
Computed expected tax expenses	201.55	396.87
Tax effect due to incentives	-	(10.48)
Accelerated Depreciation	(4.12)	(6.81)
Effect of non- deductible expenses	47.52	64.36

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ Crores)

Particulars	2022-23	2021-22
Unabsorbed losses of merged entity	(7.30)	-
Effect of differential overseas tax rates	-	(5.90)
Tax on Capital transaction	3.96	-
Additional deduction on Research and Development Expenses	(11.45)	(8.22)
Others	(0.02)	(9.70)
MAT Credit Adjusted*	-	(213.11)
Income tax expenses - net	230.14	207.01
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%
Computed tax liability on book profits	-	198.43
Tax effect on adjustments:	-	-
Provision for diminution disallowed	-	-
Effect of Impairment of Intangibles	-	-
Adjustment of OCI	-	0.24
Effect of differential overseas tax rates	-	(8.27)
Effect of losses of Subsidiaries	-	8.20
Others	-	8.41
Minimum Alternate Tax on Book Profit of Holding company and Income tax of Group Companies	-	207.01

* 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 OCI	Recognised in profit/loss	As at March 31, 2023
Property, plant & equipment	256.79	0.13	(56.22)	200.70
Right of Use-Assets	7.08	-	(2.32)	4.76
MAT credit available	(72.43)	-	72.43	-
Compensated absences	(16.98)	-	3.86	(13.12)
Fair Value of investment	-	0.10	0.55	0.65
Bonus expenses	(1.05)	-	0.16	(0.89)
Lease Liability	(5.37)	-	0.89	(4.48)
Doubtful Debts	(0.19)	-	-	(0.19)
Unrealised profit on inter group transaction	-	-	(1.84)	(1.84)
Unabsorbed Tax losses	(5.49)	-	5.49	-
Total	162.36	0.23	23.00	185.59

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ Crores)

Particulars	As at March 31, 2021	Addition on account of Business Combination	Recognized in OCI	Recognized in profit / loss	As at March 31, 2022
Property, plant & equipment	220.04	13.65	(0.15)	23.25	256.79
Right of Use-Assets	-	-	-	7.08	7.08
MAT credit available	(72.43)	-	-	-	(72.43)
Compensated absences	(14.96)	-	-	(2.02)	(16.98)
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	131.60	13.65	(0.15)	17.26	162.36

32 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	2022-23	2021-22
i Profit after tax	471.32	884.08
ii Profit after tax and exceptional Items	471.32	884.08
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	25,37,04,218
v Weighted avg. no. of shares outstanding (Nos.) (Diluted)	25,37,04,218	25,37,04,218
vi Nominal value of equity share (₹)	1.00	1.00
vii Basic EPS (i / iv) (₹)	18.58	34.85
viii Diluted EPS (i / v) (₹)	18.58	34.85

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.

33 Disclosure in accordance with Ind AS – 116 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015

Following is carrying value of right-of-use asset recognised and the movements thereof during the year ended March 31, 2023

(₹ Crores)

Particulars	Land and Buildings 2022-23	Land and Buildings 2021-22
Balance as on 1st April	20.83	15.45
Acquisition through Business Combination	-	0.60
Additions during the year	15.31	14.64
Deletion during the year	-	-
Foreign currency translation	0.05	-
Depreciation of Right-of-use asset	11.24	9.86
Balance as at 31st March	24.95	20.83

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

The following is the carrying value of lease liability and movement thereof during the year ended March 31, 2023

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as on 1st April	15.98	13.05
Acquisition through Business Combination	-	0.58
Additions during the year	15.31	8.23
Finance cost accrued during the year	1.65	1.28
Deletions	-	-
Foreign currency translation	(0.05)	-
Payment of lease liabilities	9.25	7.16
Balance as at March 31	23.74	15.98
Current portion of Lease liability	6.66	4.48
Non - Current portion of Lease liability	17.08	11.50
Total	23.74	15.98

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%.

The details of the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis are as follows:

(₹ Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	8.10	5.73
One to five years	14.81	9.71
More than five years	27.23	25.55
Total	50.14	40.99

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.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

34 Segment Reporting

Disclosure as required by IND AS 108 “Operating Segments”, 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-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	2022-23		2021-22	
	Amount (₹ in Crores)	% of Total Segment Revenue	Amount (₹ in Crores)	% of Total Segment Revenue
Segment Revenue				
- India	3,265.45	52.29%	3,011.18	51.65%
- Outside India	2,978.87	47.71%	2,818.61	48.35%
Total	6,244.32	100.00%	5,829.79	100.00%

Of the above, revenue from sales to/with in United Kingdom amounts to ₹ 299.80 crores (previous year ₹ 259.70 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 31,2023 and March 31, 2022.

35 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.(up to 10.06.2021)	India	
Lyka Labs Ltd. (up to 07.08.2022)	India	
iii. Joint Venture		
Avik Pharmaceutical Ltd.	India	
Lyka Labs Ltd. (w.e.f 08.08.2022)	India	
iv. Key Management Personnel		
Mr. Premchand Godha	Chairman & Managing Director (Executive Chairman w.e.f. April 1, 2023)	India
Mr. Ajit Kumar Jain	Joint Managing Director & CFO (Managing Director and CFO w.e.f. April 1, 2023)	India
Mr. Pranay Godha	Executive Director (Managing Director and CEO w.e.f. April 1, 2023)	India

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

Relationships		Country
Mr. Prashant Godha	Executive Director	India
Mr. Anand T. Kusre	Independent Director	India
Mr. Dev Parkash Yadava (till 2nd August 2022)	Independent Director	India
Dr. Narendra Mairpady (w.e.f 20th October, 2022)	Independent Director	India
Dr. (Mrs.) Manisha Premnath	Independent Director	India
Mr. Kamal Kishore Seth	Independent Director	India
v. Other Related Parties		
(Entities in which directors or their relatives have significant influence and with whom there were transaction 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
Resonance Specialities 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.

36 Contingent liabilities and Commitments

A. Contingent Liabilities

Particulars	(₹ Crores)			
	As at March 31, 2023		As at March 31, 2022	
Claims against the Group not acknowledged as debts	22.65		15.36	
Amount deposited under protest	(2.57)	20.08	(2.57)	12.79
Corporate guarantee given to others		2.28		2.28
Guarantees given by banks in favour of Govt. & others *		24.25		19.56
Term deposit with Bank 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 *	38.47		25.11	
Amount deposited under protest	(2.64)	35.83	(1.07)	24.04
Total		93.44		69.67

* It includes ₹ 4.38 crore (Previous year ₹ 4.38 crore) 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 crore 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 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	133.91	124.23
Intangible Assets	-	-
	133.91	124.23
(b) Investment Commitments (net of payments)		
Share warrants - Lyka Labs		
Preferential allotment of 50 lacs warrants @ ₹ 139.50 per warrant by Lyka Labs Ltd, Joint Venture. This warrants are convertible into equity shares in one or more tranches, at the option of the allottee, within a period of 18 months of its allotment.	69.75	-
Less : Part payment to the extent of 25% made during the year	(17.44)	-
	52.31	-
Less : Balance payment of 75% on 24 lacs warrants made after year end.	(25.11)	-
Remaining commitment on signing of the balance sheet	27.20	-
Unichem acquisition		
As per Share Purchase Agreement (SPA) dated 24 th April, 2023 :		
(a) 2,35,01,440 fully paid-up equity shares of ₹ 2 /- each from one of the promoter shareholder @ ₹ 440 /- per share (33.38% of Unichem's paid-up share capital).	1,034.06	-
(b) Open offer to the extent of 26% of paid-up share capital of Unichem - 1,83,05,495 shares @ ₹ 440 /- per share.	805.44	-
Total Commitment (subject to approval of Competition Commission of India)	1,839.50	-
	1,866.70	-
(c) Other Commitments		
Purchase orders backed by Letter of Credit opened by bankers.	31.59	80.13
	31.59	80.13
Total	2,032.20	204.36

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**37 Financial Instruments**

The carrying value and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 is as follows:

(₹ Crores)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
Amortised cost				
Loans	119.13	81.74	119.13	81.74
Others	169.42	158.65	169.42	158.65
Trade receivables	989.02	910.78	989.02	910.78
Cash and cash equivalents & other bank balances	1,853.24	640.66	1,853.24	640.66
FVTPL				
Mutual funds considered as cash and cash equivalents	323.32	719.31	323.32	719.31
Derivative assets	-	8.01	-	8.01
FVTOCI				
Investments carried at FVTOCI	25.37	25.15	25.37	25.15
Total financial assets	3,479.50	2,544.30	3,479.50	2,544.30
Financial liabilities				
Amortized cost				
Borrowings	1,457.53	791.24	1,457.53	791.24
Lease liability	23.74	15.98	23.74	15.98
Trade payables	525.06	557.70	525.06	557.70
Others	257.51	301.92	257.51	301.92
FVTPL				
Derivative liabilities	11.03	-	11.03	-
Total financial liabilities	2,274.87	1,666.84	2,274.87	1,666.84

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.

38 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).

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

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, 2023	323.32	-	-	323.32
Investments carried at FVTOCI	As at March 31, 2023	-	-	25.37	25.37
Total financial assets		323.32	-	25.37	348.69
Financial liabilities					
Derivative financial liabilities	As at March 31, 2023	-	11.03	-	11.03
Total financial liabilities		-	11.03	-	11.03
Financial assets measured at fair value					
Mutual funds - growth plan	As at March 31, 2022	719.31	-	-	719.31
Derivative financial assets	As at March 31, 2022	-	8.01	-	8.01
Total financial assets		719.31	8.01	-	727.32

39 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 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 APIs 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 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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**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, 2023		As at March 31, 2022	
			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	22.34	183.59	10.01	75.83
b.	Packing credit & interest	USD	19.04	156.43	22.00	166.79
		EURO	-	-	5.59	47.07
c.	Trade & Other Payables Incl. advances received	USD	13.96	114.70	33.24	255.00
		EURO	0.36	3.26	0.28	2.40
		GBP	-	0.02	1.31	13.01
		AUD	0.01	0.06	0.01	0.06
		NZD	0.32	1.63	0.20	1.05
		AED	0.03	0.05	-	-
II)	Receivables in foreign currency					
a.	Trade & Other receivables incl. advances given	USD	48.41	398.04	46.46	309.47
		EURO	8.12	72.51	8.52	71.72
		GBP	0.11	1.13	10.07	100.18
		AUD	10.99	60.44	6.37	36.15
		CAD	5.18	31.42	4.11	24.87
		NZD	4.61	23.73	4.94	25.95
		COP	1,325.36	2.35	855.52	1.73
b.	Unbilled revenue	CAD	0.97	5.91	1.19	7.22
		NZD	0.23	1.18	-	-

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

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.

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, 2023, the investments in mutual funds is ₹ 323.32 crores (Previous year ₹ 719.31 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.

Particulars	Impact on Profit		Impact on Investment Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Price - increase by 0.10%*	0.32	0.72	0.32	0.72
Price - decrease by 0.10% *	(0.32)	(0.72)	(0.32)	(0.72)

* assuming all other variables as constant

40 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.

Particulars	As at	
	March 31, 2023	March 31, 2022
Borrowings	1,457.53	791.24
Trade payables	525.06	557.70
Other payables	268.54	301.92
	2,251.13	1,650.86
Less: Cash and Cash Equivalents (C&CE)	(1,257.85)	(275.19)
Bank Balances	(595.39)	(365.47)
Margin Money	(5.12)	(5.12)
Investment in MF (part of C&CE)	(323.32)	(719.31)
	(2,181.68)	(1,365.09)
Net debt	69.45	285.77
Total Equity	5,915.32	5,541.76
Capital and net debt	-	-
Capital and net debt Gearing ratio	0.01	0.05

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, 2023 and March 31, 2022.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**41 Derivative Financial Instruments**

The details of outstanding foreign exchange forward contracts and other derivatives designated as cash flow hedges:

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts-Exports	USD	81.25	89.50
	STG	7.50	3.00
	EUR	19.66	3.00
	AUD	23.89	15.05
	CAD	4.68	6.00
	NZD	10.32	8.05
Forward Contracts -Imports	USD	0.04	0.23
Other Derivatives:			
Options	USD	6.00	4.00

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, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts - Exports			
Not later than one month	USD	6.00	8.00
	STG	-	1.00
	EUR	0.66	2.00
	CAD	0.38	1.00
	AUD	3.17	2.00
	NZD	1.89	0.50
Later than one month and not later than three months	USD	19.25	16.50
	STG	1.00	2.00
	EUR	6.00	1.00
	CAD	2.00	2.00
	AUD	5.00	4.00
	NZD	3.43	1.55
Later than three months and not later than one year	USD	56.00	65.00
	STG	5.50	-
	EUR	13.00	-
	CAD	2.30	3.00
	AUD	15.72	9.05
	NZD	5.00	6.00
Later than one year	STG	1.00	-

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts - Imports			
Not later than one month	USD	0.01	0.09
Later than one month and not later than three months	USD	0.03	-
Later than three months and not later than one year	USD	-	0.14

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
		In Million	In Million
Forward Contracts - Options			
Not later than one month	USD	-	-
Later than one month and not later than three months	USD	-	-
Later than three months and not later than one year	USD	6.00	4.00

Till previous year ended March 31, 2022, the Company had 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. During the current year, there are no transactions to be routed through the hedge reserve account and hence all the exchange gain / loss are taken to 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, 2023 is as follows:

(₹ Crores)

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of the period	(0.20)	(0.65)
Changes in the fair value of effective portion of cash flow hedges	-	-
Gain/(Loss) transferred to the Statement of Profit & Loss on occurrence of forecasted hedge transactions	0.20	0.45
Balance at the end of the period	-	(0.20)

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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023**42 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. 23

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

43 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:

Sr. no.	Name of entity	Principal place of business	(₹ Crores)	
			Proportion of ownership (%) as at March 31, 2023	Proportion of ownership (%) as at March 31, 2022
(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	Trophic Wellness Pvt. Ltd. (w.e.f. 11th June 2021)	India	58.88	52.35

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ Crores)

Sr. no.	Name of entity	Principal place of business	Proportion of ownership (%) as at March 31, 2023	Proportion of ownership (%) as at March 31, 2022
(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	100.00
(iii)	Joint Venture / Operation			
1	Avik Pharmaceutical Ltd.	India	50.00	50.00
2	Lyka Labs Ltd.	India	31.36	26.58
(iv)	Associates			
1	CCPL Software Private Ltd.	India	28.95	28.95
2	Krebs Biochemicals & Industries Ltd.	India	49.65	49.65

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, 2023	Proportion of ownership (%) as at March 31, 2022
1	Avik Pharmaceutical Ltd.	Joint Venture	Manufacturing	India	50.00	50.00
2	Lyka Labs Ltd.	Joint Venture	Manufacturing & Marketing	India	31.36	26.58
3	Krebs Biochemicals & Industries Ltd.	Associate	Manufacturing	India	49.65	49.65

III Investments in Associates and Joint Venture are measured using the Equity Method.

IV Summarised financial information for individually non-material associates and joint venture

(₹ Crores)

Description	March 31, 2023	March 31, 2022
Share of Profit / (loss) in associates(net)- Non - Material	(11.97)	(23.09)
Share of Profit / (loss) in joint venture (net)- Non - Material	(0.80)	1.86
Total Share of Profit / (loss) in associates and joint venture	(12.77)	(21.23)

V Carrying amount of immaterial entities

(₹ Crores)

Description	March 31, 2023	March 31, 2022
Carrying amount of interests in the Associate	(0.59)	107.07
Carrying amount of interests in the Joint Venture	130.40	7.62

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

VI Financial information about the entity's investments in aggregate for all individually immaterial Joint Venture

(₹ Crores)

Particulars	March 31, 2023	March 31, 2022
Profit or (loss) from continuing operations	(0.81)	1.83
Post-tax profit / (loss) from discontinued operations	-	-
Other Comprehensive Income	0.01	0.03
Total Comprehensive Income	(0.80)	1.86

VII Financial information about the entity's investments in aggregate for all individually immaterial Associates

(₹ Crores)

Particulars	March 31, 2023	March 31, 2022
Profit or loss from continuing operations	(12.13)	(22.99)
Post-tax profit / (loss) from discontinued operations	-	-
Other Comprehensive Income	0.16	(0.10)
Total Comprehensive Income	(11.97)	(23.09)

VIII Contingent Liabilities of Associates and Joint Venture

(₹ Crores)

Description	March 31, 2023	March 31, 2022
Contingent Liabilities including bank guarantee	18.03	17.37
Amount deposited under protest	(3.72)	(3.27)
Total	14.31	14.10
Commitments	0.96	0.62

- 44** Disclosure under schedule III of the companies Act, 2013 relating to consolidated financial statements are given in statement 2 attached to the financial statements.
- 45** Figures for the previous year have been regrouped / restated wherever considered necessary.
- 46** 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, 2023.

As per our report of even date attached
For **Natvarlal Vepari & Co**
Chartered Accountants
Firm's Registration No. 106971W

N. Jayendran
Partner
Membership No. 40441

Mumbai
May 29, 2023

For and on behalf of the Board of Directors
Premchand Godha
Executive Chairman (DIN 00012691)
Ajit Kumar Jain
Managing Director and CFO (DIN 00012657)
Pranay Godha
Managing Director and CEO (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)
May 29, 2023

Statement 1 (refer Note No. 35)

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)

Particulars	Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Purchase of goods and services										
Makers Laboratories Ltd.	-	-	-	-	-	-	6.36	13.17	6.36	13.17
Avik Pharmaceutical Ltd.	-	-	-	-	40.33	28.74	-	-	40.33	28.74
Nipra Industries Pvt. Ltd.	-	-	-	-	-	-	2.88	2.72	2.88	2.72
Krebs Biochemicals & Industries Ltd.	-	-	52.00	59.44	-	-	-	-	52.00	59.44
Lyka Labs Ltd.	-	-	4.71	6.71	11.15	-	-	-	15.86	6.71
Vandhara Resorts Pvt. Ltd.	-	-	-	-	-	-	1.85	0.02	1.85	0.02
Total	-	-	56.71	66.15	51.48	28.74	11.09	15.91	119.28	110.80
Sales of goods and services										
Makers Laboratories Ltd.	-	-	-	-	-	-	0.73	0.89	0.73	0.89
Avik Pharmaceutical Ltd.	-	-	-	-	10.26	10.75	-	-	10.26	10.75
Krebs Biochemicals & Industries Ltd.	-	-	4.04	19.02	-	-	-	-	4.04	19.02
Trophic Wellness Pvt. Ltd.	-	-	-	0.24	-	-	-	-	-	0.24
Kaygee Laboratories Pvt. Ltd.	-	-	-	-	-	-	0.26	-	0.26	-
Ipca Foundation	-	-	-	-	-	-	0.24	-	0.24	-
Total	-	-	4.04	19.26	10.26	10.75	1.23	0.89	15.53	30.90
Rent income										
Trophic Wellness Pvt. Ltd.	-	-	-	0.04	-	-	-	-	-	0.04
Total	-	-	-	0.04	-	-	-	-	-	0.04
Interest income										
Avik Pharmaceutical Ltd.	-	-	-	-	1.45	1.57	-	-	1.45	1.57
Krebs Biochemicals & Industries Ltd.	-	-	2.09	4.51	-	-	-	-	2.09	4.51
Makers Laboratories Ltd.	-	-	-	-	-	-	0.16	0.06	0.16	0.06
Lyka Labs Ltd.	-	-	1.05	1.40	6.05	-	-	-	7.10	1.40
Resonance Specialties Limited	-	-	-	-	-	-	0.02	-	0.02	-
Total	-	-	3.14	5.91	7.50	1.57	0.18	0.06	10.82	7.54
Sale of fixed assets										
Kaygee Laboratories Pvt. Ltd.	-	-	-	-	-	-	0.80	-	0.80	-
Makers Laboratories Ltd. (₹ 48259/-)	-	-	-	-	-	-	-	0.01	-	0.01
Krebs Biochemicals & Industries Ltd.	-	-	0.65	0.70	-	-	-	-	0.65	0.70
Lyka Labs Ltd.	-	-	-	-	0.04	-	-	-	0.04	-
Total	-	-	0.65	0.70	0.04	-	0.80	0.01	1.49	0.71
Rent, expenses paid/(recovered)										
Makers Laboratories Ltd.	-	-	-	-	-	-	0.17	-	0.17	-
Krebs Biochemicals & Industries Ltd.	-	-	1.02	1.20	-	-	-	-	1.02	1.20
Ipca Foundation	-	-	-	-	-	-	0.11	-	0.11	-
Kaygee Laboratories Pvt. Ltd.	-	-	-	-	-	-	0.24	0.17	0.24	0.17
Total	-	-	1.02	1.20	-	-	0.52	0.17	1.54	1.37
Loans given/(recovered)										
Loans given:										
Krebs Biochemicals & Industries Ltd.	-	-	41.00	24.95	-	-	-	-	41.00	24.95
Makers Laboratories Ltd.	-	-	-	-	-	-	2.00	-	2.00	-
Lyka Labs Ltd.	-	-	48.00	55.00	50.00	-	-	-	98.00	55.00
Resonance Specialties Limited	-	-	-	-	-	-	2.00	-	2.00	-
Loans (recovered):										
Lyka Labs Ltd.	-	-	(95.00)	-	-	-	-	-	(95.00)	-
Avik Pharmaceutical Ltd.	-	-	-	-	(1.46)	(0.40)	-	-	(1.46)	(0.40)

(₹ Crores)

Particulars	Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Resonance Specialties Limited	-	-	-	-	-	-	(2.00)	-	(2.00)	-
Makers Laboratories Ltd.	-	-	-	-	-	-	(6.40)	6.40	(6.40)	6.40
Krebs Biochemicals & Industries Ltd.	-	-	-	(89.42)	-	-	-	-	-	(89.42)
Total	-	-	(6.00)	(9.47)	48.54	(0.40)	(4.40)	6.40	38.14	(3.47)
Investments made / (redemption)										
Krebs Biochemicals & Industries Ltd.	-	-	-	112.51	-	-	-	-	-	112.51
Avik Pharmaceutical Ltd.	-	-	-	-	-	0.11	-	-	-	0.11
Lyka Labs Ltd.	-	-	-	98.11	27.90	-	-	-	27.90	98.11
Total	-	-	-	210.62	27.90	0.11	-	-	27.90	210.73
Preference Share Warrants (investment made)										
Lyka Labs Ltd.	-	-	-	-	17.44	-	-	-	17.44	-
Total	-	-	-	-	17.44	-	-	-	17.44	-
Remuneration to Directors										
Mr. Premchand Godha	10.80	10.15	-	-	-	-	-	-	10.80	10.15
Mr. Ajit Kumar Jain	7.28	6.64	-	-	-	-	-	-	7.28	6.64
Mr. Pranay Godha	4.81	4.37	-	-	-	-	-	-	4.81	4.37
Mr. Prashant Godha	4.34	3.54	-	-	-	-	-	-	4.34	3.54
Total	27.23	24.70	-	-	-	-	-	-	27.23	24.70
Provident Fund to Directors										
Mr. Premchand Godha	0.46	0.44	-	-	-	-	-	-	0.46	0.44
Mr. Ajit Kumar Jain	0.48	0.43	-	-	-	-	-	-	0.48	0.43
Mr. Pranay Godha	0.29	0.26	-	-	-	-	-	-	0.29	0.26
Mr. Prashant Godha	0.26	0.21	-	-	-	-	-	-	0.26	0.21
Total	1.49	1.34	-	-	-	-	-	-	1.49	1.34
Post employment benefits of Directors										
Mr. Ajit Kumar Jain	0.40	0.37	-	-	-	-	-	-	0.40	0.37
Mr. Pranay Godha	0.11	0.10	-	-	-	-	-	-	0.11	0.10
Mr. Prashant Godha	0.06	0.05	-	-	-	-	-	-	0.06	0.05
Total	0.57	0.52	-	-	-	-	-	-	0.57	0.52
Sitting Fees to Non-executive Directors										
Mr. Anand T Kusre	0.11	0.12	-	-	-	-	-	-	0.11	0.12
Mr. Dev Prakash Yadava	0.03	0.14	-	-	-	-	-	-	0.03	0.14
Dr. (Mrs.) Manisha Premnath	0.10	0.11	-	-	-	-	-	-	0.10	0.11
Mr. Kamal Kishore Seth	0.14	0.15	-	-	-	-	-	-	0.14	0.15
Dr. Narendra Mairpady	0.06	-	-	-	-	-	-	-	0.06	-
Total	0.44	0.52	-	-	-	-	-	-	0.44	0.52
Donation/CSR/Expenses										
Reimbursement										
Prabhat Foundation	-	-	-	-	-	-	0.25	0.76	0.25	0.76
Ipca Foundation	-	-	-	-	-	-	8.43	4.36	8.43	4.36
Total	-	-	-	-	-	-	8.68	5.12	8.68	5.12
Security										
Security given to Bank by way of lien over term deposit for short term borrowings - Krebs Biochemicals & Industries Ltd.	-	-	11.00	11.00	-	-	-	-	11.00	11.00
Total	-	-	11.00	11.00	-	-	-	-	11.00	11.00
Impairment in the value of non-current Investment										
Krebs Biochemicals & Industries Ltd.	-	-	-	39.14	-	-	-	-	-	39.14
Total	-	-	-	39.14	-	-	-	-	-	39.14
Balance at year end										
Trade receivables										
Avik Pharmaceutical Ltd.	-	-	-	-	1.73	1.78	-	-	1.73	1.78

(₹ Crores)

Particulars	Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Krebs Biochemicals & Industries Ltd.	-	-	0.13	12.65	-	-	-	-	0.13	12.65
Makers Laboratories Ltd.	-	-	-	-	-	-	0.10	-	0.10	-
Loan given										
Krebs Biochemicals & Industries Ltd.	-	-	43.00	2.00	-	-	-	-	43.00	2.00
Avik Pharmaceutical Ltd.	-	-	-	-	12.32	13.78	-	-	12.32	13.78
Lyka Labs Ltd.	-	-	-	55.00	58.00	-	-	-	58.00	55.00
Makers Laboratories Ltd.	-	-	-	-	-	-	2.00	6.40	2.00	6.40
Advance given										
Makers Laboratories Ltd.	-	-	-	-	-	-	2.39	3.00	2.39	3.00
Krebs Biochemicals & Industries Ltd.	-	-	11.05	11.41	-	-	-	-	11.05	11.41
Deposit given										
Krebs Biochemicals & Industries Ltd.	-	-	45.00	45.00	-	-	-	-	45.00	45.00
Interest receivable										
Krebs Biochemicals & Industries Ltd.	-	-	4.98	7.10	-	-	-	-	4.98	7.10
Avik Pharmaceutical Ltd.	-	-	-	-	0.10	-	-	-	0.10	-
Lyka Labs Ltd.	-	-	-	-	2.17	-	-	-	2.17	-
Makers Laboratories Ltd.	-	-	-	-	-	-	0.05	0.06	0.05	0.06
Total	-	-	104.16	133.16	74.32	15.56	4.54	9.46	183.02	158.18
Trade payable										
Makers Laboratories Ltd.	-	-	-	-	-	-	0.45	0.57	0.45	0.57
Kaygee Laboratories Pvt. Ltd.	-	-	-	-	-	-	0.02	0.02	0.02	0.02
Lyka Labs Ltd.	-	-	-	1.16	0.51	-	-	-	0.51	1.16
Nipra Industries Pvt. Ltd.	-	-	-	-	-	-	0.64	0.56	0.64	0.56
Ipca Foundation	-	-	-	-	-	-	0.11	-	0.11	-
Vandhara Resorts Pvt. Ltd.	-	-	-	-	-	-	0.29	0.21	0.29	0.21
Directors remuneration payable										
Mr. Premchand Godha	6.19	5.82	-	-	-	-	-	-	6.19	5.82
Mr. Ajit Kumar Jain	3.80	3.36	-	-	-	-	-	-	3.80	3.36
Mr. Pranay Godha	2.92	2.56	-	-	-	-	-	-	2.92	2.56
Mr. Prashant Godha	2.49	2.00	-	-	-	-	-	-	2.49	2.00
Total	15.40	13.74	-	1.16	0.51	-	1.51	1.36	17.42	16.26
Corporate guarantee/Security given to bank										
Krebs Biochemicals & Industries Ltd.	-	-	11.00	11.00	-	-	-	-	11.00	11.00
Total	-	-	11.00	11.00	-	-	-	-	11.00	11.00

Statement 2 (Refer Note No.44)

Disclosure under Schedule III of the companies Act, 2013 relating to consolidated financial statements.

(₹ Crores)

Name of the entity	2022-23						2021-22							
	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit or (loss)		Share in Total Comprehensive Income		Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit or (loss)		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 Net assets	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated Profit or (Loss)	Amount		
A. Parent														
Ipsca laboratories Limited	99.92	5,910.53	100.91	483.37	(36.51)	(2.68)	99.06	5,489.45	102.00	907.56	38.67	1.16	101.78	908.72
B. Subsidiaries In India														
Trophic Wellness Pvt. Ltd. (w.e.f. 11th June 2021)	0.40	23.80	2.35	11.27	(0.14)	(0.01)	0.13	7.30	1.01	9.03	(0.33)	(0.01)	1.01	9.02
C. Subsidiaries Out Of India														
Ipsca Pharmaceuticals, Inc	(0.34)	(20.20)	(3.19)	(15.26)	308.58	22.65	0.34	18.83	(1.13)	(10.09)	297.33	8.92	(0.13)	(1.17)
Pisgah Laboratories, Inc,	(1.97)	(116.50)	(2.10)	(10.08)	(117.03)	(8.59)	(1.79)	(98.94)	(1.66)	(14.77)	(101.67)	(3.05)	(2.00)	(17.82)
Bayshore Pharmaceuticals LLC	(0.31)	(18.14)	(7.08)	(33.91)	(96.05)	(7.05)	0.20	11.02	(1.49)	(13.29)	(78.00)	(2.34)	(1.75)	(15.63)
Ipsca Laboratories (UK) Ltd	1.19	70.68	4.89	23.41	18.53	1.36	1.19	66.12	(0.43)	(3.80)	(27.33)	(0.82)	(0.52)	(4.62)
Onyx Scientific Ltd.	1.18	69.70	4.51	21.57	22.22	1.63	0.56	31.27	2.96	26.36	(10.00)	(0.30)	2.92	26.06
Ipsca Pharma (Australia) Pty Ltd	-	0.10	-	-	(0.14)	(0.01)	-	0.08	-	0.04	-	-	-	0.04
Ipsca Pharma (NZ) Pty Ltd	-	-	-	-	-	-	-	0.01	-	-	-	-	-	-
Ipsca Pharma Nigeria Ltd.	0.05	2.96	0.81	3.89	(1.77)	(0.13)	0.06	3.35	0.47	4.20	(18.00)	(0.54)	0.41	3.66
Ipsca Pharmaceuticals Ltd SA de CV	(0.02)	(1.15)	-	-	-	-	(0.02)	(1.15)	-	-	-	-	-	-
D. Non Controlling Interest in Subsidiaries	1.24	73.30	1.60	7.67	-	-	1.39	76.92	0.64	5.71	1.67	0.05	0.65	5.76
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
Krebs Biochemicals Industries Limited	(1.37)	(81.19)	(2.53)	(12.13)	2.18	0.16	(1.25)	(69.22)	(2.44)	(21.74)	(5.67)	(0.17)	(2.45)	(21.91)
F. Joint Venture (Investment as per the equity method)														
Lyka Labs Ltd. (Associate from 24th November 2021 and a Joint Venture w.e.f 8th August 2022)	0.04	2.18	(0.71)	(3.42)	(0.14)	(0.01)	0.06	3.44	(0.28)	(2.48)	2.33	0.07	(0.27)	(2.41)
Avik Pharmaceutical Ltd.	(0.01)	(0.75)	0.54	2.61	0.27	0.02	(0.06)	(3.36)	0.21	1.83	1.00	0.03	0.21	1.86
Total	100.00	5915.32	100.00	478.99	100.00	7.34	100.00	5541.76	100.00	889.79	100.00	3.00	100.00	892.79

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/associate companies/joint ventures

Part "A": Subsidiaries

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	1.90	11.70	11.70	-	9.10	(0.16)	0.03	(0.19)	100%
2	Ipca Pharmaceuticals, Inc., USA	USD	291.44	44.18	336.18	336.18	256.32	16.10	1.07	0.10	0.97	100%
3	Bayshore Pharmaceuticals LLC, USA	USD	10.11	5.63	165.67	165.67	-	150.19	(40.07)	-	(40.07)	100%
4	Pisgah Laboratories Inc., USA	USD	81.00	(29.45)	54.59	54.59	-	18.16	(8.46)	0.50	(8.96)	100%
5	Ipca Pharmaceuticals Ltd.SA de CV, Mexico	Mexican Peso	1.15	(1.15)	-	-	-	-	-	-	-	100%
6	Ipca Pharma (Australia) Pty. Ltd., Australia	AUD \$	0.13	0.52	0.65	0.65	-	0.02	-	-	-	100%
7	Ipca Pharma (NZ) Pty. Ltd., New Zealand	AUD \$	-	-	0.02	0.02	-	-	-	-	-	100%
8	Ipca Laboratories (UK) Ltd., UK	STG £	26.50	53.32	113.49	113.49	49.71	72.72	0.12	-	0.12	100%
9	Onyx Scientific Ltd., UK	STG £	2.50	97.53	136.98	136.98	7.33	138.95	26.18	3.93	22.25	100%
10	Trophic Wellness Pvt. Ltd	INR	4.05	114.20	130.80	130.80	-	99.47	22.70	5.86	16.84	58.88%

- 1) Financials reporting period of all subsidiaries is 31st March.
- 2) Exchange rate considered as on 31st March 2023 1 USD= ₹ 82.1650, 1 STG £ = ₹ 101.6052, 1 N (Nigerian Naira) = ₹ 0.1787, 1 AUD \$ = ₹ 55.0095, 1 MXN (Mexican Peso)= ₹ 4.5578
- 3) The Company own 100% interest in all the above subsidiaries except Trophic Wellness Pvt. Ltd., where company owned 58.88% holding in the subsidiary company.
- 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

Executive Chairman (DIN 00012691)

Ajit Kumar Jain

Managing Director and CFO (DIN 00012657)

Pranay Godha

Managing Director and CEO (DIN 00016525)

Prashant Godha

Executive Director (DIN 00012759)

Harish P. Kamath

Company Secretary (ACS - 6792)

Mumbai

May 29, 2023

Part "B": Associates and Joint Ventures

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

Name of Associate/ Joint Venture	PARTICULARS		ASSOCIATES		JOINT VENTURES	
	* CCPL SOFTWARE PRIVATE LTD.	KREBS BIOCHEMICALS & INDUSTRIES LTD.	LYKA LABS LTD.	AVIK PHARMACEUTICAL LTD.		
1. Latest Audited Balance Sheet Date	-	31st March, 2023	31st March, 2023	31st March, 2023		
2. Shares of the Associate/ Joint Venture held by Ipca Laboratories Limited as at 31st March, 2023						
- Number of Shares	55,000	1,07,05,195	96,24,923	5,44,000		
- Amount of Investment in Associates/ Joint Ventures (₹ in Crores)	*	78.77	126.01	6.95		
- Extent of Holding %	28.95%	49.65%	31.36%	50.00%		
3. Description of how there is Significant Influence	Percentage of shareholding	Company under joint management control	Significant shareholding and joint management control	Significant shareholding and joint management control		
4. Reason why the Associate/Joint venture is not consolidated	-	-	-	-		
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crores)	-	(49.38)	14.25	3.12		
6. Profit/ (Loss)** for the Year (₹ Crores)	*	(11.97)	(3.43)	2.63		
i. considered in consolidation		(12.40)	(9.82)	2.63		
ii. not considered in consolidation						

* 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.

** Profit/(Loss) for the year means Total Comprehensive income for the year.

For and on behalf of the Board of Directors

Premchand Godha

Executive Chairman (DIN 00012691)

Ajit Kumar Jain

Managing Director and CFO (DIN 00012657)

Pranay Godha

Managing Director and CEO (DIN 00016525)

Prashant Godha

Executive Director (DIN 00012759)

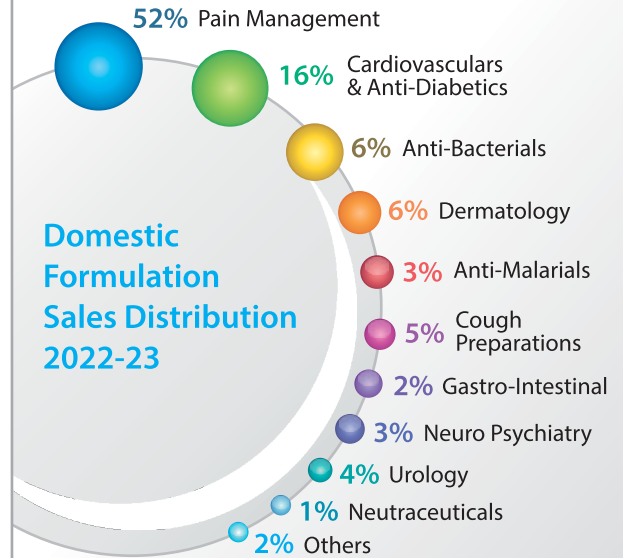
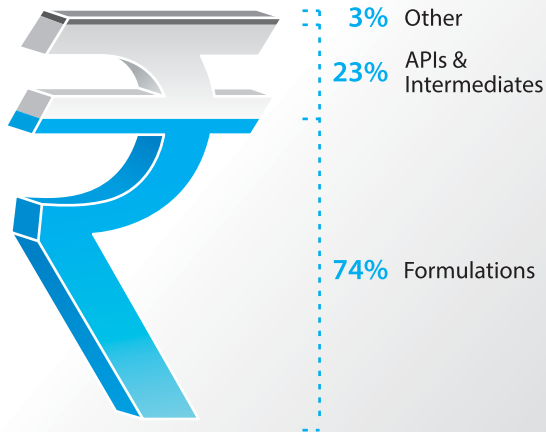
Harish P. Kamath

Company Secretary (ACS - 6792)

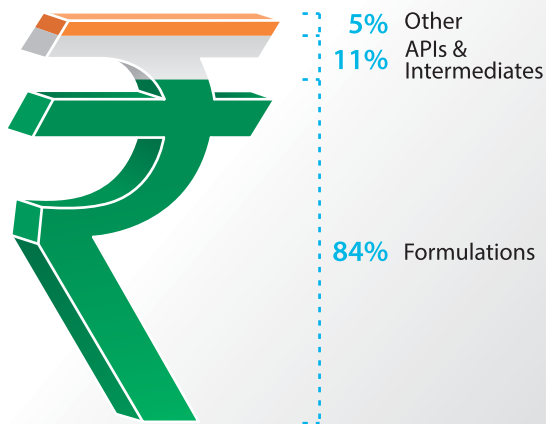
Mumbai

May 29, 2023

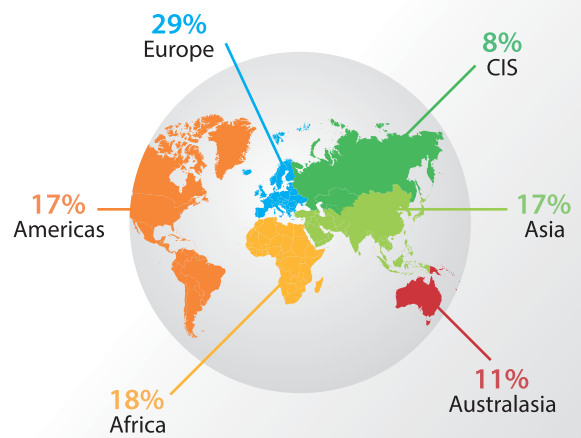
Total Income 2022-23 ₹ 5925.81 Crores



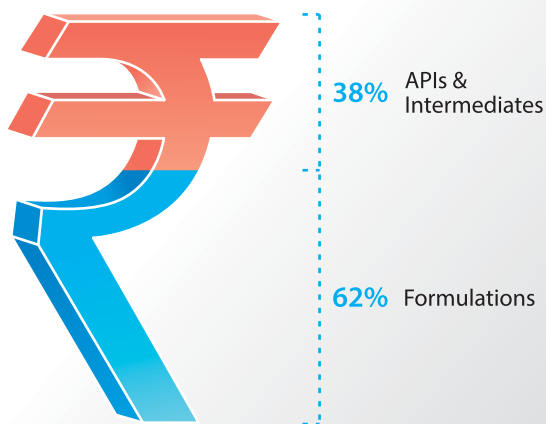
Domestic Income 2022-23 ₹ 3282.39 Crores



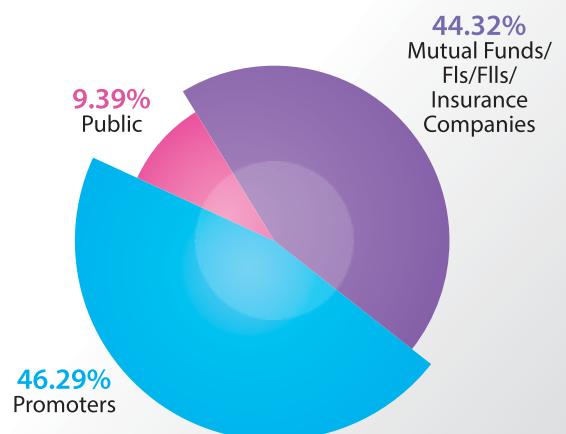
Continent Wise Exports (%)



Export Income 2022-23 ₹ 2643.42 Crores



Distribution of Shareholding as on 31st March, 2023



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

UK

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Sunderland Enterprise Park East
Sunderland SR5 2TQ, UK
T: + 44 191 516 6 517
F: + 44 191 516 6 526
E: contact@ipcauk.com

USA

Pisgah Labs, Inc.
3222, Old Hendersonville Highway
Pisgah Forest, NC 28768, USA
T: + 1 828 884 2789
F: + 1 828 884 5540
E: ipca.usa@ipca.com

New Zealand

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3-A, St. Oswalds Road
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T: + 64 2136 0880
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788, Morris Turnpike, Suite 200
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