



JAGSONPAL PHARMACEUTICALS LIMITED

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Haryana (India)

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CIN NO. L74899DL1978PLC009181

August 09, 2023

The Department of Corporate Services- Listing BSE Ltd , Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400 001 Scrip Code: 507789	The Department of Corporate Services- Listing National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Symbol: JAGSNPHARM
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Subject: Notice of the 44th Annual General Meeting and Annual Report for the FY 2022-23

Dear Sir/ Madam,

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed the Annual Report and Notice convening the 44th Annual General Meeting of the Company, including the Business Responsibility and Sustainability Report, for the financial year 2022-23 which is scheduled to be held on Thursday, August 31, 2023 at 03:30 p.m. (IST) through video conference or other audio-visual means, in compliance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (“SEBI”).

The aforesaid Annual Report and AGM Notice are also being uploaded on the Company’s Website www.jagsonpal.com and the website of National Securities Depository Limited at www.evoting.nsdl.com.

We request you to take the above on record.

Thanking you,

For **Jagsonpal Pharmaceuticals Limited**

Abhishek Joshi
Company Secretary & Compliance Officer

Encl.: A/a



Health. Science. Service.
Since 1978

Jagsonpal Pharmaceuticals Limited
Annual Report FY 2022-23



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Scan to view this report online

Health. Science. Service.

Since 1978

Since inception, Jagsonpal Pharmaceuticals Limited (JPL) has pursued its goal of becoming a leading player in the Indian pharmaceutical sector. Leveraging science and service, the Company has established strong presence across the country and built a portfolio of reputed brands. With women's health as its pivot, Jagsonpal strives to offer maximum value for its consumers-medical fraternity and patients, fostering enduring relationships and making significant contributions to the industry. Driven by a desire to provide good health and top-notch service, Jagsonpal aspires to be at the forefront of healthcare innovation.



Health

The Company's persistent focus on a healthier future for all, drives its goals and activities. It takes pride in delivering value to its consumers and remains committed to doing so in the future.



Science

Jagsonpal prioritises innovation and expansion to positively impact more people. It constantly aims to ensure that country has access to latest innovations of the global pharmaceutical industry.

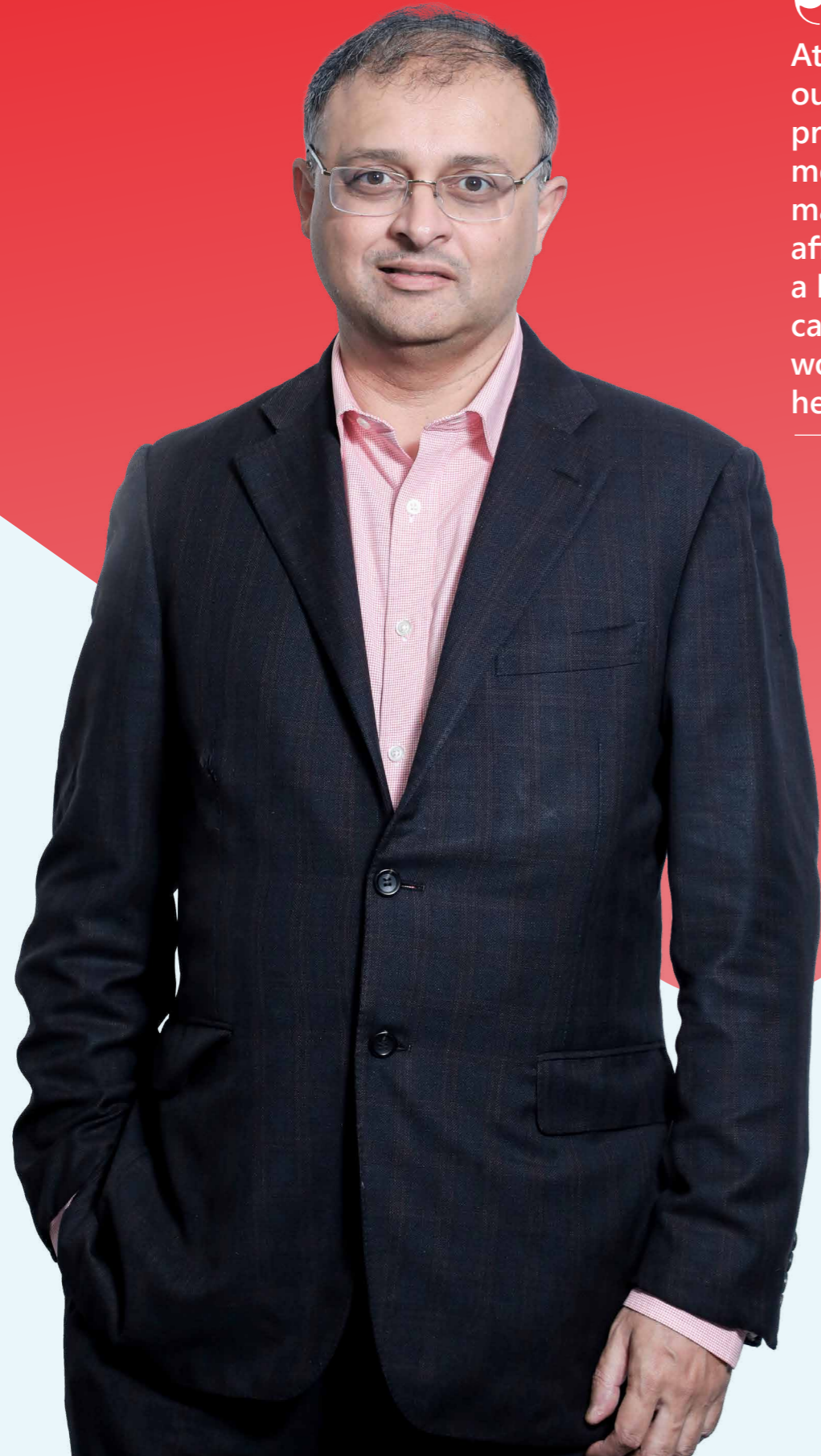


Service

With a strong focus on patient-first philosophy, the Company emphasises on understanding consumer needs and carefully curates portfolio by delivering solutions tailored to their requirements.

Chairman's Message

A Vision for Progress



At Jagsonpal, our mission is to provide essential medicines while maintaining affordability, with a larger focus on catering to the women-specific healthcare needs

Dear Shareholders,

I am privileged to address you all for the first time as Chairman of Jagsonpal Pharmaceuticals Limited.

I came on-board following the acquisition of a substantial stake in Jagsonpal by Infinity Holdings, an India-focused investment group. We, are excited to build upon the foundation laid down by the Kochhar family and share a common goal of enriching consumer well-being and enhancing stakeholder value. The Company's strong focus on women health, which aligns with Infinity's goal of promoting a healthier nation, was key in our coming together.

I am joined on the Board by a number of industry stalwarts with deep-expertise in their fields of specialisation including three Independent Directors-Debasis Bikash Nandy, CFO of Thomas Cook, who also Chairs our Audit Committee, Radhika Dudhat, a legal expert at Shardul Amarchand Mangaldas & Co, who also Chairs our Nomination and Remuneration Committee, and Pallavi Dinodia Gupta, a tax expert, who also Chairs our Stakeholders Relationship Committee. Furthermore, we are honoured to be joined by Prithipal Singh Kochhar who provides a crucial element of continuity from the Founders.

Lastly, we have our Managing Director, Manish Gupta, who comes with decades of rich experience in the pharmaceutical industry, and with the energy and drive to build on Jagsonpal's legacy.

I would now like to highlight three domains that are core to our Company's future, namely (1) Focus on Women Health, (2) Strategic Priorities, and (3) Focus on Employees and Community.

Focus on Women Health

At Jagsonpal, our mission is to provide essential medicines while maintaining affordability with a larger focus on catering to women-specific healthcare needs. Drawing upon our extensive experience and deep expertise, we offer maximum value by ensuring access to high-quality pharmaceutical products. By doing so, we intend to make a positive impact and contribute to their overall well-being.

Strategic Priorities

Over the last nine months, we initiated several steps aimed towards streamlining our operations with enhanced profitability, simultaneously working towards strengthening the foundation for accelerated growth ahead.

Our focus on execution led to notable improvements in key performance indicators, positioning our top brands for robust future growth. These underscore our commitment to deliver outstanding results and establish a clear roadmap for future success.

Focus on Employees and Community

For an organisation that has a strong lineage and heritage, any transition at the ownership level comes with its challenges. We recognise that employees are our greatest asset and strongly believe that organisation growth should go hand in hand with the learning and development of its employees. We simplified the organisational structure and relocated to a new corporate office in Gurugram thereby creating a conducive learning

environment that attracts and retains top talent. We appreciate the all-round efforts of our employees who welcomed and embraced future-reading changes as we move towards establishing a performance-driven culture in the organisation.

We are also thankful to our shareholders for supporting the rollout of comprehensive Employee Stock Option Plan which aligns with long-term objectives of value creation for employees. Over 30 employees are already covered under the scheme that is being progressively extended to more employees.

Corporate Social Responsibility

As a responsible corporate citizen, we are committed to fulfilling our duties and responsibilities towards the communities, we serve and operate. We actively allocated resources for their upliftment and undertook steps to create a positive impact. We have now adopted a long-term CSR program that focusses on holistic development, with a particular emphasis on women. Some of the important initiatives include workshops to impart awareness on menstrual hygiene along with construction of public toilets.

Note of Thanks

On behalf of the Board, I express my heartfelt gratitude to our exceptional team for their dedication and our shareholders for their unwavering confidence in the revamped Jagsonpal. Together, we have laid a strong foundation for our future growth, and we will continue to strive for excellence, achieving new milestones in the years to come.

Harsha
Chairman



Managing Director's Message

Building on Foundations



FY2023 has been a transformational year wherein we reported strong performance across all operating and financial matrices. Our key brands are on growth track with Divatrone® (Dydrogesterone brand) emerging as our largest brand within 18 months of launch

Dear Shareholders,

As the Managing Director of your Company, it is my privilege to address you all. I joined the organisation in July 2022, and since then, it has been a wonderful journey. While I will touch upon the performance highlights for the year gone by, I want to take this opportunity to shed some light on the journey we charted, and the progress made thus far.

About Jagsonpal

Founded in 1978, Jagsonpal has emerged as an organisation of trust and credibility among the medical fraternity. What started as a humble chemist store in Delhi is now a small yet meaningful player in core therapies of Gynaecology and Orthopaedic which together account for over 90% business. Built around science and service to doctors along with patient community, Jagsonpal has many firsts to its credit.

Over the years, while the Company went through many ups and downs, it continued to strengthen presence in its focus segments. However, recent foray into Dydrogesterone segment in August 2021 reinvigorated the Company, leading to a strong performance in FY2023 with a growth of 10.5% versus industry growth of 7.9% (Source: IQVIA). Today, while we are ranked 81st in the Indian pharmaceutical industry, we have a much stronger ranking of 13th in covered market segment, reflecting our relative strength amongst the covered therapies.

The Company has an interesting franchise with a portfolio of good mid-sized brands with tremendous growth potential. Our Top-15 brands account for almost 80% of the business with 11 of them among 'Top 5' brands of the molecule. Over 50% of sales come from hormonal products, which are high

engagement products with the doctors and take time for the trust to build.

This is ably supported by Company's extensive coverage of the Indian market with a ground presence of 900+ field personnel and 1500+ stockist.

Events Unfolded in FY2023

On June 27, 2022, Infinity Holdings, an India-focused investment group acquired control over the Company consequent to acquisition of 43.73% of equity capital and became Promoters of the Company. The Kochhar family now holds 24.99% and continues to have joint control along with Infinity Holdings.

The Board was reconstituted on June 29, 2022, by inducting leaders from varied fields. Harsha Raghavan and Prithipal Singh Kochhar joined the Board as the nominee of Infinity Holdings and Kochhar family respectively. Debasis Bikash Nandy, Radhika Madhukar Dudhat, and Pallavi Dinodia Gupta joined the Board as Independent Directors. On July 16, 2022, I joined Board as the Managing Director.

FY2023 Performance Highlights

FY2023 has been a transformational year wherein we reported strong performance across all operating and financial matrices. We reported a revenue of ₹2,367.1 Million against ₹2,175.8 Million in the previous year. Our Operating EBITDA stood at ₹433.7 Million against ₹250.3 Million in the previous year with a PAT of ₹267.2 Million against ₹188.5 Million in previous year. While our revenues grew at 8.8%, the improvement in business hygiene aided expansion of operating margins by 680 basis points driving significant improvement in operational profitability and strengthening of balance sheet. The performance reflects the strong brand equity of Jagsonpal.

Our key brands are on growth track with Divatrone® (Dydrogesterone brand) emerging as our largest brand within 18 months of launch. With cash reserves in excess of ₹1.1 Billion, we have put in place a clear roadmap to accelerate growth even as we evaluate opportunities for judicious use of our surplus cash.

On operational and governance front, we have simplified the organisational structure and shifted to a new corporate office in Gurugram, befitting the new organisation culture that is being established, strengthened controls across organisation, rolled out an Employee Stock Option Plan to attract and retain talent, engaged M/s. S S Kothari Mehta & Company, Chartered Accountants, as Internal Auditors and transitioned to a Big-5 audit firm, M/s. Walker Chandiock Co & LLP, Chartered Accountants, for statutory audit. We invested in IT both for control and business efficiency.

Going Forward

The Board mandate is clear, with a focus on three-pronged approach to enhance shareholder value.

The first phase focusses on streamlining current business for sustainable growth and profitability, bringing it in-line with the industry leaders. I believe we have made substantive progress in this direction during the last few months.

We have now initiated our second phase, focussing on accelerating growth. To that end, we split our main division into two for superior doctor engagement – one that focusses on Gynaecology and another that is centered around Orthopaedic. As the new structure stabilises, we expect our growth to accelerate from H2FY2024 onwards. This structure also gives us headroom for new product introductions later this year.

Finally, the strong cash reserves and healthy business cash flow also presents a meaningful opportunity to explore bolt-on acquisitions of brands and/or businesses. We shall be extremely disciplined in our approach which together with our organic growth should place us amongst the 'Top 50' players in the next five years.

I would like to put on record my appreciation for the team at Jagsonpal, which seamlessly transitioned under the new Management and to the Board for their continued guidance and support.

Manish
Managing Director



Business Overview

Serving Humanity with Integrity

In a constantly evolving pharmaceutical industry, establishing a strong corporate identity goes a long way in positioning ourselves uniquely. In an era where rapid growth and expansion is widely sought, with utmost care and perseverance, the Company successfully pursued the right business model for long-term sustained business growth.

Strong Foundation

Jagsonpal reinforced the necessary elements considered crucial to drive future growth, leveraging knowledge and deep-industry connections of the promoters along with the valuable multi-faceted Board expertise to further the growth trajectory.

In today's fast-paced and competitive business world, the success of any organisation heavily relies on its employees. They are backbone of

the Company, driving innovation and increasing productivity, thereby providing right impetus to achieve the overall success of the company.

It is noteworthy that since inception, the Company ascribed importance to product accessibility as a cornerstone to its success which led to the establishment of an extensive distribution network, ensuring product availability across the country.

New Ideas

During the year, Jagsonpal collaborated with prominent sectoral experts to implement industry-leading practices which are in line with the evolving landscape of pharmaceutical industry. Among many such changes, the Company revamped its distribution network which involved shifting from company-owned and operated depots to third party carry-and-forward agents, thereby allowing the Company to concentrate on its core competency of introducing innovation to the population at large.



Business Overview

Well-Curated Portfolio

Jagsonpal identified Gynaecology and Orthopaedics as its focus segments and diligently built presence in major therapeutic sub-segments. The portfolio of several strong mid-sized brands demonstrates Company's ability to build brands which today are among the "Top 5" brands in their molecule segments. By leveraging its superior execution capabilities, the Company is poised to maintain its strong position and drive growth.

Gynaecology

During the last few years, the Gynaecology segment has demonstrated an impressive growth of 11%, outpacing the overall pharmaceutical industry. This pace of growth has accelerated in the last two years where market grew by 14% YoY reaching ₹103 Billions. This has been made possible on the back of contributions made by new launches, volume growth and price hikes which grew by 5%, 4% and

5% respectively during the last two years. With the aim of addressing diverse health concerns faced by women, the Company commercialised a range of products. Through this dedicated segment, it strives to provide affordable healthcare solutions which are accessible to women nationwide, enabling them to overcome health challenges and enjoy a healthier lifestyle.



Orthopaedics

Recognising the increasing prevalence of pain management conditions, the Company has taken a proactive step by launching a dedicated segment to address the related challenges. Through this initiative, the Company aims to play a crucial role in promoting an active lifestyle for individuals. In the past, the pain and analgesics market witnessed sustained growth of 11% over the last few years. This growth momentum further accelerated in the last two years, with an impressive 22% and 12% increase, surpassing the growth rate of overall Indian Pharmaceutical market. As a result, the market reached an impressive ₹160 Billion in FY2023.



Recent Introductions

Furthering Jagsonpal's commitment of bringing innovation to the country, the Company identified Dydrogesterone as the next growth segment. With a strategic early entry, the Company successfully launched the "Divatrone" brand in August 2021. During FY2023, the market for Dydrogesterone has experienced remarkable growth, reaching over ₹10 Billion, making it the most sought after segment in Gynaecology. To enhance control over product availability, Jagsonpal made strategic investments across the value chain, and today is uniquely positioned since it controls the entire supply chain. This pivotal position assures a robust future for the brand and reinforces Company's commitment to the molecule with scientific approach.

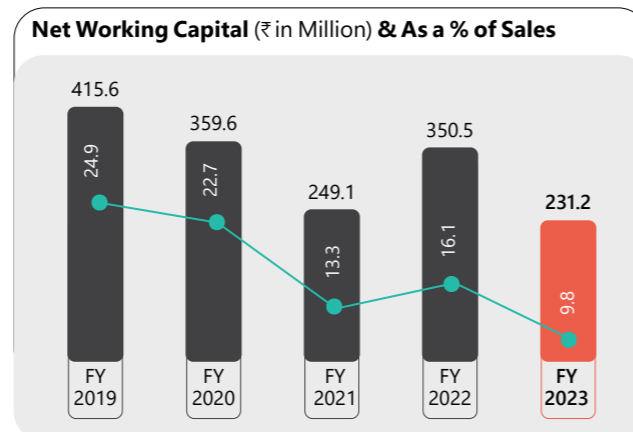
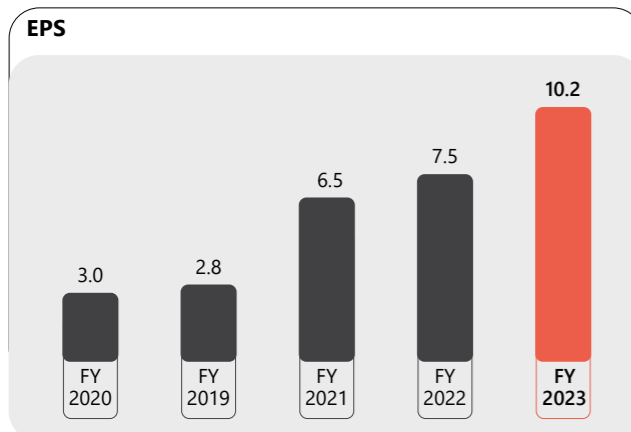
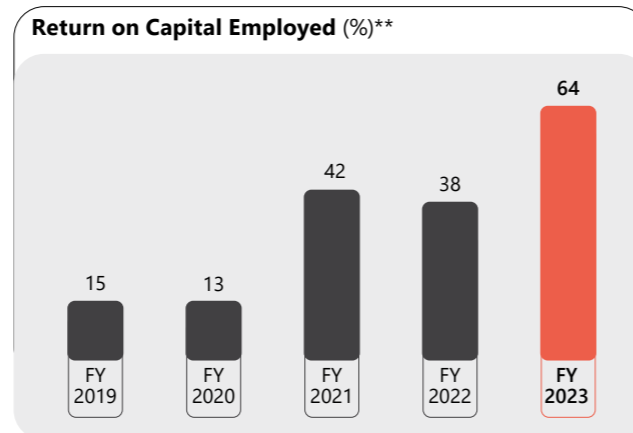
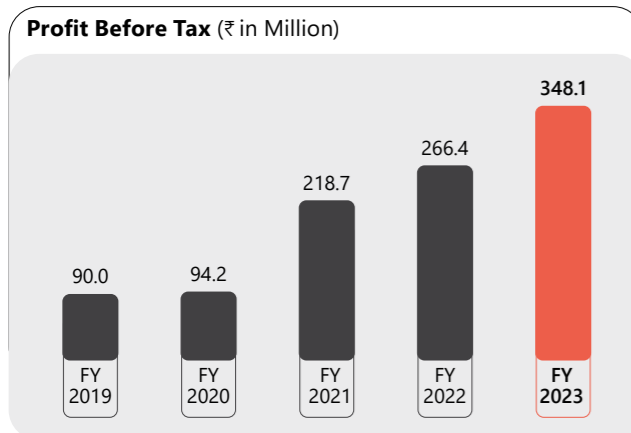
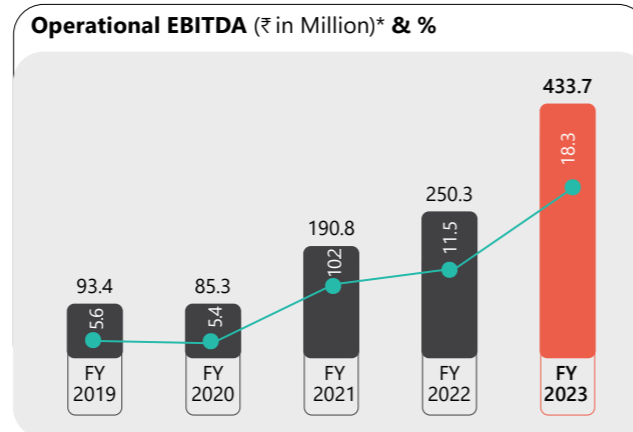
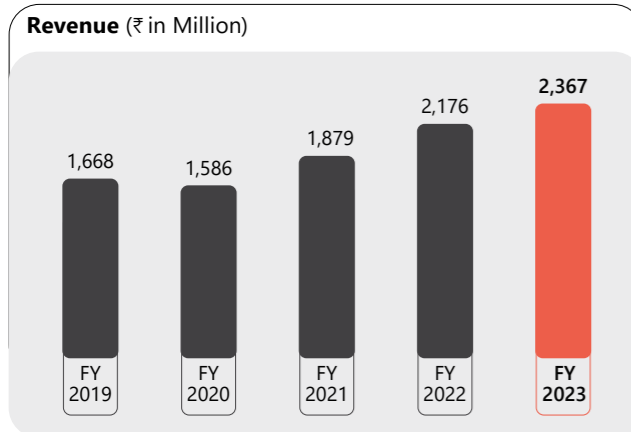


Jagsonpal ranked 1st runner up in "New Introduction upto ₹500 Crores" category by AWACS Marketing Excellence Award 2022.

Key Performance Indicators

Robust Growth Across Parameters

Financial Indicators



*Operational EBITDA pre-ESOP

**Net of treasury investments

Board of Directors

Exemplary Leadership



Harsha Raghavan
Non-Executive Chairman

AC RMC



Debasis B Nandy
Independent Director

AC RMC SRC NRC



Radhika M Dudhat
Independent Director

NRC CSR RMC



Pallavi Dinodia Gupta
Independent Director

SRC AC CSR



Prithipal Singh Kochhar
Non-Executive Director

NRC



Manish Gupta
Managing Director

SRC CSR

- AC Audit Committee
- NRC Nomination and Remuneration Committee
- SRC Stakeholders Relationship Committee
- CSR Corporate Social Responsibility
- RMC Risk Management Committee

Corporate Social Responsibility

Empowering Communities

With a focus on delivering healthier future for all, Jagsonpal is committed to fulfilling its duties and responsibilities. Understanding that growth should extend beyond financial indicators, it actively allocates resources towards Corporate Social Responsibility (CSR) for community development and environmental initiatives. These CSR projects are driven by a long-term approach aimed at fostering development and support for communities in the Company's operational areas, with a strong focus on creating a meaningful and sustainable impact.

The Company strongly believes in the importance of operating in a socially responsible manner and is dedicated to make a positive impact on the communities by giving back to the society.

It's philosophy revolves around the development and support to such communities, with a specific focus on improving the health and hygiene of women. The areas identified during FY2023 are Education & Livelihood and Health & Sanitation. To effectively carry out the CSR initiatives, it collaborates with non-governmental organisations (NGOs) who align with the Company's

core values and share its philosophy. Additionally, it mandates that the NGOs it partners with have no political affiliations, ensuring transparency and neutrality of its CSR efforts.

One of the key aspects of Company's CSR approach is the adoption of a long-term perspective. It believes that sustainable change requires a commitment beyond short-term solutions. Therefore, it implements projects with a minimum duration of three years. This extended time frame allows to create a visible and lasting impact in the targeted regions.



Public toilets at M.G Road Metro Station, Gurugram

Our Focus Areas

Education and Livelihood

The Company joined hands with Sulabh International Social Service Organisation to focus on an important aspect of women's health - Menstrual Hygiene. By specifically targeting the regions of Punjab and Haryana, it strives to improve menstrual hygiene awareness and related practices among economically weaker section of the society. Through interactive sessions, it aims to spread awareness about this crucial issue and provide practical solutions. By partnering with the public welfare organisation, it ensures that its efforts are aligned with a reputable organisation dedicated to improving menstrual hygiene.

Health and Sanitation

The Company's commitment towards a cleaner environment led to several initiatives focused on sanitation. In collaboration with Sulabh International, the Company constructed Public toilet. As part of this endeavour, it selected the MG Road Metro station in Gurugram and girl school in Ropar where these facilities were constructed. By providing hygienic toilets, the aim is to create sanitation infrastructure and contribute to overall wellbeing of the community. These efforts align with the Company's vision of creating a cleaner and more sustainable environment for all.

2

Sanitation facilities undertaken

Corporate Information

BOARD OF DIRECTORS

Harsha Raghavan

Chairman and Non-Executive Director

Debasis Bikash Nandy

Independent Director

Pallavi Dinodia Gupta

Independent Director

Radhika Madhukar Dudhat

Independent Director

Prithipal Singh Kochhar

Non-Executive Director

Manish Gupta

Managing Director

CHAIRMAN EMERITUS

Rajpal Singh Kochhar

CHIEF FINANCIAL OFFICER

S V Subha Rao

COMPANY SECRETARY AND COMPLIANCE OFFICER

Abhishek Joshi

BANKERS

Punjab & Sind Bank

Central Bank of India

Axis Bank

REGISTERED OFFICE

T 210 J Shahpur Jat New Delhi – 110 49

CORPORATE OFFICE

Plot No. 412-415, Nimai Tower
3rd Floor, Phase – IV, Udyog Vihar,
Gurugram – 122 015 Haryana

REGISTRAR AND SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area, Phase – 1,
New Delhi – 110 020

CORPORATE IDENTIFICATION NUMBER

L74899DL1978PLC009181

SCRIP CODE

BSE: 507789

NSE: JAGSNPHARM

STATUTORY AUDITORS

M/s. Walker Chandiok Co & LLP, Chartered Accountants

INTERNAL AUDITORS

M/s. S S Kothari Mehta & Company,
Chartered Accountants

INVESTOR CONTACT DETAILS

cs@jagsonpal.com

0124-4406710



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Management Discussion and Analysis

Economic Overview

Global Economy

According to International Monetary Fund (IMF), the world economy is expected to grow by 2.8% in 2023, 0.6% lower than the 2022 growth. This decline is influenced by slower growth in China, a major exporter to many economies, a trade-war brewing between China-US, and has been exacerbated by ongoing trade fallout from Russia-Ukraine conflict resulting into supply chain disruptions. The IMF noted that inflation continues to be persistent, although it is expected to decline slightly in 2023 due to falling food and energy prices.

Furthermore high levels of global corporate and household debt pose a significant risk to the global economy, impending to higher bankruptcies, rising unemployment and lower investments. Despite these challenges, developing economies are expected to grow faster than advanced economies.¹

Indian Economy

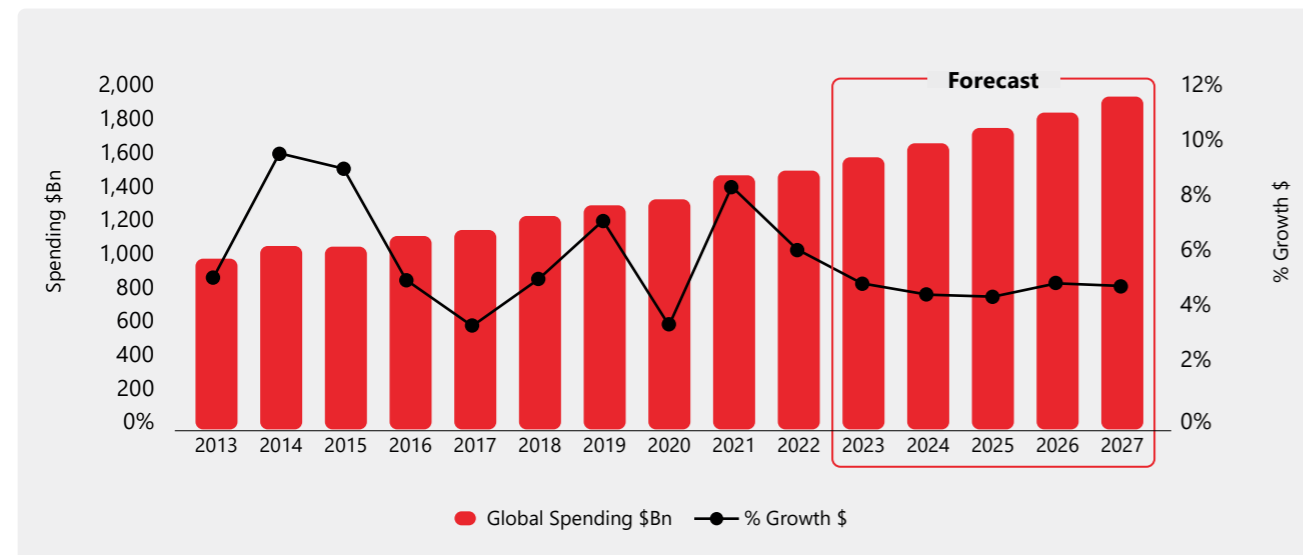
India's GDP growth for FY2023 is projected to be 7.0%, marking a decrease from the previous year's 9.1%. However, it is worthwhile to take cognizance of the fact that India maintained its pole position of being the top-performing major economy during the year. This decline can be attributed to several factors, including higher-than-expected retail inflation caused by global input cost inflation persistent throughout the year along with unusual weather patterns in India. Additionally, India experienced a slowdown in exports due to sluggish global trade.

On the flip side, domestic consumption provided the necessary support to local businesses, supported by widespread vaccine coverage that enabled contact-based activities to resume.²

The Reserve Bank of India (RBI) forecasts India's FY2024 GDP growth to be 6.5%, with global trade disruptions and inflation posing a threat. However, India's continued focus to improve physical infrastructure has supported the domestic economy. The push for better public digital infrastructure acted as a catalyst to the domestic economy, providing opportunities and growth prospects for business owners.

Global Pharmaceutical Industry³

The Global Pharmaceutical Industry promptly responded to the COVID-19 pandemic through rapid development and scaling up of vaccine production. Despite uncertainties particularly ones engendering from economic and geopolitical circumstances, the industry is expected to regain its pre-pandemic growth rates by 2024. The global pharmaceutical market is projected to grow at a CAGR of 3-6% between 2023 and 2027 and is expected to reach an impressive market size of ~\$1.9 trillion. Developed markets will grow at a slower rate than emerging markets, with the US expected to oscillate between -1 to 2% CAGR and demand in Europe is anticipated to be driven by higher consumption of generics and biosimilars. On the other hand, the Asia-Pacific region will experience steady growth, while China may see a slowdown in growth.



¹ World Economic Outlook – April 2023

² National Statistical Office (NSO)

³ Global Use of Medicines 2023 – IQVIA Institute

Global Spending Growth Across Regions: 2019-2027

Region	2019-2027 CAGR
Global	6%
North America	5.5%
Asia-Pacific	8.5%
Africa & Middle East	7.5%
China	5%
India	10.5%

Indian Pharmaceutical Industry

With a population of over 1.3 Billion, India represents a vast opportunity for the global pharmaceutical industry. The country is world's leading supplier of pharmaceutical products along with being a prominent player in the global vaccine market. Over the years, domestic industry has rapidly expanded and today is a crucial player in the global pharmaceutical landscape. The industry has several participants, including multinational corporations, domestic companies, and regional players.

The nation is known for its robust manufacturing capabilities and cost-effective production which led to its emergence as a major player in the overall value chain. There is an expectation that spending on pharmaceuticals will increase with a CAGR of 7.5-10.5% from 2023-27, resulting in a total market size of US\$ 35-39 Billion.

The country has built strong research and development capabilities. Many multinational corporations have invested in the country in-lieu of the competitive advantage in terms of cost-efficiency which is evident from the fact that the nation is home to largest number of USFDA compliant pharmaceutical manufacturing sites outside the US. Major offering includes generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars and biologics.

US\$ 35-39 Billion

Estimated market size of Indian Pharmaceutical Industry by 2027*

7.5-10.5%

Estimated Indian Pharmaceutical Industry CAGR till 2027*

Key Drivers of the Indian Pharmaceutical Industry

Longer Life Expectancy

The domestic pharmaceutical market is experiencing incremental rise in demand due to rising life expectancy and

better healthcare. This demographic shift drives the need for innovative healthcare solutions.

Changing Lifestyle

The healthcare market faces increasing demand for pharmaceutical solutions to combat chronic diseases caused by sedentary lifestyles, unhealthy eating habits, and environmental factors.

Improving Purchasing Power

Expanding middle-class population and rising income will drive demand for healthcare solutions, increasing purchasing power and higher medication consumption.

Health Insurance and Infrastructure

Government-sponsored programs increase healthcare insurance penetration, making healthcare affordable and accessible, and increasing demand for pharmaceutical products.

Company Overview

About Jagsonpal Pharmaceutical

Jagsonpal Pharmaceuticals Limited is a Delhi-based pharmaceutical company. Founded in 1978, the Company has a proven track record of 40+ years of catering to the domestic pharmaceutical market. The Company has a robust portfolio of drugs focusing on the Gynaecology and Orthopaedic segments. Over the years, the Company has successfully established multiple brands that today hold market-leading position in respective segments. Today, while we are ranked 81st in the Indian Pharmaceutical Industry, we have a much stronger ranking of 13th in our covered market, reflecting our relative strength amongst the covered therapies.

Resilient Domestic Standing

40+

Years of Proven track record

81st

Largest pharmaceutical company

13th

Rank in Covered Market

Focus Segments

Over time, the Company has diligently expanded its range of products, resulting in a comprehensive portfolio. The Company has created a niche in these value accretive segments by establishing a presence across major sub-therapeutic segments.

*Global Use of Medicines 2023 – IQVIA Institute



Gynaecology

During the last few years, the Gynaecology segment has demonstrated an impressive growth of 11%, outpacing the overall pharmaceutical industry. This pace of growth has accelerated in the last two years where market grew by 14% YoY reaching ₹103 Billions. This has been made possible on the back of contributions made by new launches, volume growth and price hikes which grew by 5%, 4% and 5% respectively during the last two years. With the aim of addressing diverse health concerns faced by women, the Company commercialised a range of products. Through this dedicated segment, it strives to provide affordable healthcare solutions which are accessible to women nationwide, enabling them to overcome health challenges and enjoy a healthier lifestyle.

Orthopaedics

Recognising the increasing prevalence of pain management conditions, the Company has taken a proactive step by launching a dedicated segment to address the related challenges. Through this initiative, the Company aims to play a crucial role in promoting an active lifestyle for individuals. In the past, the pain and analgesics market witnessed sustained growth of 11% over the last few years. This growth momentum further accelerated in the last two years, with an impressive 22% and 12% increase, surpassing the growth rate of overall Indian Pharmaceutical market. As a result, the market reached an impressive ₹160 Billion in FY2023.

Employees

The Company strongly believes that its employees are its truest wealth, its biggest assets. The Company promotes a culture of fairness and believes in providing equal employment and growth opportunities to all individuals.

	Male	Male %	Female	Female %	Total Employees
Permanent Employees	925	98%	15	2%	940
Other than Permanent Employees	7	100%	0	0%	7
Total Employees	932	98%	15	2%	947

The Company regularly conducts workshop aimed at knowledge and skill-set enhancement. The Company through its Individual Development Plan aims to support individuals for the future career growth. Besides skill set, the physical and mental well-being of employees is of paramount importance. The Company regularly conduct yoga sessions on reducing stress for its employees in addition to training sessions on scientific knowledge, communication and managerial skills.

All employees have been provided health and life insurance through Group Mediciam Insurance, Term Life Insurance and Group Accidental Insurance policies.

As part of preventive healthcare program, the following initiatives are being offered:

- Health & Lifestyle Management Camp
- Oral Hygiene camp
- Ergonomics at Workplace Workshop

First Time Innovations Introduced by Jagsonpal

The Company has a well-established track record of introducing innovations for the Indian consumer and has focussed its efforts on portfolio enhancement of differentiated products such as –

- Indocap – Pioneered Indigenised Indomethacin production
- Indocap SR – First Sustained-Release formulation of Indomethacin
- Metadec Inj, Maintane Inj – Pioneered concept of Pilfer-Proof Sterile Unipack injectables
- Doxypal DR-L – First Delayed-Release formulation of Doxycycline with Lactic Acid Bacillus
- Lycored
 - 35 Clinical trials covering a wide variety of medical specialties, including Oncology, Gynecology, Cardiology, Ophthalmology, Dentistry and Medicine with 56 research publications reputed journals
 - First sugar-free antioxidant syrup in India
- EndoReg – Launch of Dienogest for medical management of endometriosis
- Verena gel – Pioneered Vaginal Use of Nanosilver Gel with applicator
- Divatrone – Micronised Dydrogesterone with BA/ BE, 36-month shelf-life

- Stress & Anger Management
- Gynaecologist Workshop pertaining to women-specific health issues.

The Company believes in providing a healthy and open work environment where employees act ethically and speak up against malpractices without any inhibitions.

Policies & Processes:

- **Recruitment Policy:** Jagsonpal's recruitment policy ensures that all candidates get equal opportunity. Recruitment criteria are well-defined to shortlist candidates for specific job role. Once the candidate has cleared the preliminary rounds of interview, a thorough reference check is done prior to finalising the candidate. Proper assessment forms are filled by each interviewer during the interview. Panel interviews are conducted for critical positions.

- **Performance Appraisal Policy:** Jagsonpal has a transparent Performance Management System which ensures fair evaluation along with reward & recognition for the performing employees. At the beginning of the financial year, Key Performance Objectives (KPOs) are discussed with employees in accordance with their job responsibilities. The respective functional heads ensure that the said KPOs are quantifiable to the extent possible and are aligned with organisational and departmental goals. During the year, the employee receives regular feedback on improvement areas from their reporting manager. During the evaluation phase performance of the employee is evaluated against mutually agreed KPOs.
- **Group Mediciam Insurances (GMP) Policy:** All employees are mandatorily covered under Group Mediciam Policy. Also, there is an option to extend the coverage for their spouse, kids and parents as well, at a very reasonable premium. Besides cashless treatment, the policy covers all pre-existing diseases without any waiting period.
- **EDLI and Term Life Insurance Policies:** These policies cover all employees and are meant to support a deceased family in case of an unfortunate incident.
- **Group Accidental Insurance Policy:** This policy is applicable in case any employee meets an accident. Besides allowance and support during bed rest, the nominee of an employee is provided with financial support in case of incapacitation.

- **Whistle-blower Policy:** The policy provides a mechanism to report instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct and ethics policy. The concerned ethics counsellor deals with such matters with utmost priority, sensitivity and confidentiality. The Company, condemns any kind of discrimination, harassment, oppression or any other unfair employment practice adopted against Whistle Blowers. The violation shall be reported to the concerned ethics counsellor as per the policy and accordingly required disciplinary inquiry will be initiated.

- **Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Policy:** The Company has zero tolerance for sexual harassment at the workplace and is in compliance with the provisions relating to POSH Act (Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace), 2013. Jagsonpal has an Internal Complaints Committee for sensitively investigating POSH-related matters. The Company also has various training modules and awareness programmes which sensitise its employees on such issues.

All the concerns pertaining to any misconduct or violation of ethics are addressed seriously and formal investigations are conducted wherever required. If investigation finding testify to the acquisitions, necessary action is taken in accordance with the Company's guidelines.

Threats, Risks and Concerns

Risk Management

In line with the requirements under the SEBI LODR, the Company has constituted a Risk Management Committee of the Directors which periodically convenes and evaluates the risk mitigation efforts and means to strengthen the same.

The company has identified the following risks along with mitigation plan.

Risk Areas	Potential Risk	Mitigation Plan/ Remarks
Structural Risk	<ul style="list-style-type: none"> ○ The government regulates prices of pharmaceutical products to ensure product affordability and releases a National List of Essential Medicines (NLEM) to regulate prices ○ Jan Aushadhi Scheme and government push to prescribe generic medicines 	<ul style="list-style-type: none"> ○ Company regularly launches products as line extensions to reduce the business dependency on existing NLEM products ○ Company focus on niche molecules as against the mass marketed portfolio under the scheme
Operational Risk	<ul style="list-style-type: none"> ○ Divisionalisation can impact business in the short term ○ Migration of distribution setup from Depot to C&FA model 	<ul style="list-style-type: none"> ○ The Company has worked out a comprehensive execution plan to minimise any short-term impact while focussing on the long-term benefits ○ 15 C&FA have been made operational with the last one completed on 1st May
Access Security	Unauthorised access	<ul style="list-style-type: none"> ○ Firewalls and Antivirus installed ○ Password-protected systems have been installed to mitigate any untoward incident
Data management	Back-up and recovery	<ul style="list-style-type: none"> ○ Periodic data back-up are undertaken to avoid data loss ○ Disaster recovery system being implemented

⁴ IMS Health India, March 2023

Financial Review

	In ₹ Million		
	As at March 31, 2023	As at March 31, 2022*	Difference
ASSETS			
Non-current assets			
Property, plant and equipment	183.50	225.73	-42.23
Goodwill	-	0.30	-0.30
Right of use assets	59.28	-	59.28
Financial assets			-
(i) Investments	11.21	288.55	-277.33
(ii) Other financial assets	26.44	2.00	24.44
Income-tax assets (net)	3.12	10.67	-7.55
Other non-current assets	20.32	24.19	-3.87
Total non-current assets	303.87	551.44	-247.56
Current assets			
Inventories	206.76	297.42	-90.66
Financial assets			-
(i) Investments	-	218.10	-218.10
(ii) Trade receivables	208.72	155.77	52.95
(iii) Cash and cash equivalents	110.53	225.26	-114.73
(iv) Bank balances other than (iii) above	1,035.73	27.21	1,008.52
(v) Other financial assets	3.15	8.47	-5.32
Other current assets	80.70	158.58	-77.87
Total current assets	1,645.59	1,090.81	554.79
Total assets	1,949.46	1,642.25	307.21
EQUITY AND LIABILITIES			
Equity			
Equity share capital	130.99	130.99	-
Other equity	1,457.91	1,196.60	261.31
Total equity	1,588.90	1,327.59	261.31
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	52.47	-	52.47
Provisions	10.75	12.56	-1.81
Deferred tax liabilities (net)	21.63	32.38	-10.75
Total non-current liabilities	84.85	44.94	39.91
Current liabilities			
Financial liabilities			
(i) Borrowings	-	-	-
(ii) Lease liabilities	7.54	-	7.54
(iii) Trade payables			-
Total outstanding dues of micro enterprises and small enterprises	29.33	22.71	6.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	134.30	162.79	-28.49
(iv) Other financial liabilities	77.44	56.71	20.73
Other current liabilities	23.15	20.28	2.87
Provisions	3.76	4.90	-1.15
Current tax liabilities (net)	0.19	2.33	-2.13
Total current liabilities	275.71	269.72	5.99
Total liabilities	360.56	314.66	45.90
Total equity and liabilities	1,949.46	1,642.25	307.21

Non-current Assets

Property, plant and equipment (PPE)

PPE decrease from ₹226 Million in FY2022 to ₹184 Million in FY2023 mainly due to impairment & Sale of old Plant & Machinery.

Right-of-Assets (ROU)

The ROU increased from ₹0.00 Million in FY2022 to ₹59 Million in FY2023 due to H.O. Leased Assets.

Non-current investments

The decrease in non-current investments from ₹289 Million in FY2022 to ₹11 Million in FY2023 is resultant of Sale / Disposal of Investments.

Other non-current financial assets

The increase in non-current financial assets from ₹2 Million in FY2022 to ₹26 Million in FY2023 is resultant of increase in Bank Deposits (More than 12 Months)

Current Assets

Current investments

The decrease in current investments from ₹218 in FY2022 to ₹0.00 Million in FY2023 is resultant of Sale of Investments.

Inventories

The decrease in Inventories from ₹297 Million in FY2022 to ₹207 Million in FY2023 is resultant of reduction of holding of inventories.

Key Ratios

Particulars	In %	
	FY2023	FY2022
Current ratio	5.97	4.04
Net Capital turnover ratio	1.73	2.65
Debt Service coverage ratio	0	2.92
Inventory turnover ratio	3.69	2.99
Net profit ratio	11.29	8.67

Way Forward

- The Company aims to accelerate growth momentum by launching innovative products marketed by global pharmaceutical companies.
- Establishing new divisions with a clear strategic mandate will help achieve sharper focus and growth by aligning resources and efforts towards specific goals. This approach will also lead to increased efficiency and effectiveness in decision-making and resource allocation.
- The Company intends to expand market share by tapping into growing market segments through new product launches.
- The Company is actively looking for inorganic opportunities and intends to leverage its strong

Trade receivables

The increase in receivables from ₹156 Million in FY2022 to ₹209 Million in FY2023 is resultant of increase in sales.

Other current financial assets

The decrease in other current financial assets from ₹8 Million in FY2022 to ₹3 Million in FY2023 resultant of decrease in security deposits.

Other current assets

The other current assets have decreased from ₹159 Million in FY2022 to ₹81 Million in FY2023 as a result of recovery of advance against suppliers.

Equity

Other Equity

The other equity increased from ₹1197 Million in FY2022 to ₹1457 Million in FY2023 mainly due to increase in Profit After Tax.

Non-current Liabilities

The decrease in deferred tax liabilities from ₹32 Million in FY2022 to ₹21 Million in FY2023 resultant in financial instrument loss.

Current Liabilities

Trade payables

The decrease in trade payables from ₹186 Million in FY2022 to ₹164 Million in FY2023 is due to paying of overdue creditors.

Other Financial liabilities

The increase in other current liabilities from ₹20 Million in FY2022 to ₹23 Million in FY2023 is due to increase in provisions.

treasury position to enter into lucrative segments of the pharmaceutical industry.

Internal Control Systems and their Adequacy

The Company has adequate internal controls systems in place which provides reasonable assurance about the integrity and reliability of financial statements.

M/S S S Kothari & Co. Chartered Accountant, performs internal audits to provide reasonable assurance over internal control effectiveness and advises on industry-wide best practices. The Audit Committee consisting of Independent Directors reviews important issues raised by the Internal and Statutory Auditors, thereby ensuring that the risk is mitigated appropriately with periodic rectification measures.



Board's Report

Dear Members,

The Board of Directors are pleased to present the 44th Annual Report, together with the audited financial statements for the financial year ended March 31, 2023.

1. Financial Performance

The financial statements of the Company are prepared in accordance with the applicable provisions of the Companies Act, 2013 (the 'Act') including Accounting Standards as specified in Section 133 of the Act, read with the Companies (Accounts) Rules, 2014, and amendments thereof. The financial highlights of the Company for the financial year ended March 31, 2023, are summarised below:

Particulars	₹ in Millions	
	2022-23	2021-22
Revenue from operations	2,367.14	2,175.84
Other Income	57.34	34.27
Operating Expenditure	2,025.62	1,925.59
Profit for the year before interest, depreciation and amortisation and tax	398.85	284.55
Less: Finance costs	4.13	2.85
Less: Depreciation	12.05	15.26
Profit/(Loss) before tax (before exceptional items and tax)	382.67	266.42
Exceptional items	34.59	-
Provision for taxation	76.32	74.03
Provision for Deferred tax	4.55	3.84
Profit/(Loss) after tax	267.21	188.55
Balance brought forward	772.58	678.33
Movement in Other Comprehensive Income & ESOP Cost	(5.90)	10.48
Profit available for appropriation	1,033.89	877.37
Appropriations:		
Interim Dividend	-	104.79
Proposed Dividend	130.99	-
Balance carried forward	902.90	772.58

2. Business Performance Overview

Financial year 2022-23 was a milestone year for the Company marked by onboarding of Infinity Holdings as a joint promoter followed by broad-basing of board for strategic direction. The year saw significant changes being undertaken with focus on strengthening the foundation for brighter future of the organisation. The Company performed in-line with the industry during the financial year and delivered a 8.8 % growth.

During FY2023, the Company's revenue stood at ₹2,367.1 Million as against ₹2,175.8 Million. The Company posted an Operational EBITDA of ₹433.7 Million in FY2023 as against ₹250.3 Million in FY2022. EBITDA margin during the year stood at 18.3 % up by 680 bps over previous year.

Few highlights for FY2023 are:

1. Dydrogesterone, launched in August - 2021, emerges as the largest brand within 18 months of launch
2. The Company transitioned to C&F distribution model for cost and efficiencies with minimal disturbance
3. Strengthened IT systems & process for better control

4. Strengthened organisation structure for future growth

Management's Discussion and Analysis Report, which forms part of the Board's Report details the Company's operational and financial performance for the year.

3. Dividend

Based on Company's performance, the Board of Directors has recommended a dividend of ₹5/- per equity share (100%) of face value of ₹5/- each for the financial year ended March 31, 2023. Dividend Payout has been determined in accordance with Dividend Distribution Policy formulated as stipulated under Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') which is available on the Company's website and can be accessed at www.jagsonpal.com.

4. Transfer to Reserve

During the year under review, the Company has not made any transfer to the Reserves.

5. Share Capital

As on March 31, 2023, the Authorised Share Capital of the Company is ₹250,000,000/- divided into 3,00,00,000 Equity Shares of ₹5/- each with voting rights 2,00,00,000 Equity Shares of ₹5/- each with differential voting rights.

The issued, subscribed and paid-up equity capital of the Company as on March 31, 2023, was ₹130,990,000/- divided into 2,61,98,000 equity shares of ₹5/- each.

There were no changes to the Authorised, Subscribed and Issued Capital during the year.

6. Directors and Key Managerial Personnel

As on March 31, 2023, the Board comprises of 6 (Six) Directors out of which 1 (one) Director is Executive, 2 (Two) Directors are Non-Executive Non-Independent and 3 (Three) Directors are Non-Executive Independent which include 2 (Two) Women Independent Directors. All Directors along bring extensive experience in their respective fields. The Chairman of the Board is Mr. Harsha Raghavan, Non-Executive Non-Independent Director of the Company.

Change in Directors / Key Managerial Personnel during the year

Cessation of Directorship

- Mr. Mammen Mathew (DIN:00425579), Independent Director, Dr. Ashok Kumar Pati (DIN:08661819), Independent Director, Capt. Bharat Singh (DIN:00347364), Independent Director, Mrs. Jasbir Kaur Kochhar (DIN:01460798), Non- Executive Women Director and Dr. Ishpal Singh Ghai (DIN:06551659), Independent Director resigned from the Directorship of the Company w.e.f. June 29, 2022.
- Mr. Rajpal Singh Kochhar (DIN:00059492), Chairman and Managing Director resigned from the Directorship of the Company on July 16, 2022.

Appointment of Directors

- Mr. Harsha Raghavan (DIN:01761512) and Mr. Prithipal Singh Kochhar (DIN:01052194) were appointed as Additional Directors (Non-Executive Non-Independent) of the Company on June 29, 2022 to hold office up to conclusion of the 43rd AGM held on September 14, 2022. Their appointments were approved by the shareholders at the AGM held on September 14, 2022.
- Mr. Debasis Bikash Nandy (DIN:06368365), Ms. Radhika Madhukar Dudhat (DIN:00016712) and Ms. Pallavi Dinodia Gupta (DIN:06566637) were appointed as Additional Directors (Non-Executive Independent Director) of the Company on June 29, 2022 to hold office up to conclusion of the 43rd AGM held on September 14, 2022. Their appointments were approved by the shareholders at the AGM held on September 14, 2022.

- Mr. Manish Gupta (DIN:06805265) was appointed as the Managing Director of the Company on July 16, 2022 to hold office up to conclusion of the 43rd AGM held on September 14, 2022. His appointment was approved by the shareholders at the AGM held on September 14, 2022.

The Company has received declarations from all the Independent Directors of the Company confirming that:

- a) they meet the criteria of independence prescribed under the Act and the Listing Regulations; and
- b) they have registered their names in the Independent Directors' Databank.

Change in Key Managerial Personnel:

During the year under review,

Mr. Rajpal Singh Kochhar Chairman and Managing Director resigned from the Directorship of the Company on July 16, 2022. Mr. Manish Gupta was appointed as the Managing Director on July 16, 2022.

Ms. Nandita Singh resigned as Company Secretary and Compliance Officer on December 31, 2022. Mr. Abhishek Joshi was appointed as Company Secretary and Compliance Officer on February 13, 2023.

As on March 31, 2023, Mr. Manish Gupta, Managing Director, Mr. S V Subha Rao, Chief Financial Officer and Mr. Abhishek Joshi, Company Secretary are the Key Managerial Personnel of the Company in terms of Section 203 of the Act.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Prithipal Singh Kochhar, Director of the Company, retire by rotation at the ensuing AGM. The Board of Directors has recommended his reappointment.

7. Change in Ownership Structure

During the previous financial year, on February 21, 2022, the promoters of the Company (being Aresko Progressive Private Limited (acting in capacity as a trustee of the Aresko Progressive Trust and as the representative partner of J&P Investments Partnership) ("Seller") and Mr. Rajpal Singh Kochhar) had entered into a Share Purchase Agreement ("SPA") with Infinity Holdings ("Acquirer") together with Persons Acting in Concert with the Acquirer being Infinity Holdings Sidecar I and Infinity Consumer Holdings (referred to as the "Acquirer Group" or "Purchasers") for the proposed acquisition by the Acquirer Group from the Seller of 11,455,500 (One Crore Fourteen Lakhs Fifty Five Thousand Five Hundred) equity shares ("Sale Shares") of the Company, constituting 43.73% of the Voting Share Capital of the Company ("Transaction").

The Acquirer group made an Open Offer as required under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the public shareholders of the Company which saw no subscription.



On June 27, 2022, on completion of the Open Offer process, the transaction under the SPA was consummated wherein Infinity Holdings, Infinity Holdings Sidecar I and Infinity Consumer Holdings together acquired 43.73% shareholding in the Company and became joint promoters. The Kochhar family continues to own 24.99% in the Company.

8. Auditors and Auditor's Report

STATUTORY AUDITORS:

During the year under review, at the Annual General Meeting held on September 14, 2022, M/s. Walker Chandio & Co LLP, Chartered Accountants was appointed as Statutory Auditors of the Company for a period of 5 years till conclusion of the 48th Annual General Meeting in place of M/s. H.L. Bansal & Co, Chartered Accountants, whose term of five years ended in the Annual General Meeting held on September 14, 2022.

The Independent Auditors' Report on Financial Statements for the year ended March 31, 2023, which forms part of this Annual Report, does not contain any qualifications, observations or adverse remarks.

Secretarial Auditors:

Pursuant to provisions of Section 204 of the Act and rules made there under, the Board has appointed M/s. Mukesh Arora & Co., Practising Company Secretary (Certificate of Practice No: 4405) as the Secretarial Auditors to conduct Secretarial Audit of the Company for the year ended March 31, 2023.

The Secretarial Audit Report issued in Form No. MR-3 is attached as "Annexure 3" to this Board's Report.

The Secretarial Audit Report of the Company does not contain any qualification, reservation or adverse remark.

Cost Auditors:

Pursuant to the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. R. Krishnan as Cost Auditor of the Company for the financial year 2022-23. The remuneration of the cost auditor was approved by the members in the 43rd Annual General Meeting. The Cost Audit Report for the financial year ended March 31, 2023, would be filed within the due date prescribed by law.

As required under the Act, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to Cost Auditors, forms part of the Notice convening the Annual General Meeting.

Internal Auditors:

M/s. S S Kothari Mehta & Company, Chartered Accountants, are the Internal Auditors of the Company.

During the year under review, Internal Auditors were satisfied with the management response on the observations and recommendations made by them during the course of their audit.

9. Internal Financial Controls

The Company has in place adequate framework for Internal Financial Controls as required under Section 134 of the Act. During the year under review, such controls were tested and there were no material weaknesses in their design or operations.

10. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo and Expenditure and Research & Development

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as 'Annexure 1' forming part of this report.

11. Particulars of Employees and Related Disclosures

The statement containing particulars of employees as required to be disclosed under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as 'Annexure 2' forming part of this report except the report as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. In terms of Section 136 of the Act, the said report is open for inspection at the Corporate Office of the Company during working hours and any Member interested in obtaining a copy of the same may write to the Company Secretary at cs@jagsonpal.com

12. Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Act, the Company has placed a copy of the draft Annual Return as on March 31, 2023 on its website at www.jagsonpal.com.

13. Corporate Social Responsibility

The Corporate Social Responsibility Committee comprises of Ms. Radhika Madhukar Dudhat, Independent Director as the Chairperson, Ms. Pallavi Dinodia Gupta, Independent Director and Mr. Manish Gupta, Managing Director as the Members. Your Company has formulated a policy on CSR and the same can be accessed <https://www.jagsonpal.com/about-3-1>

The detailed Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as 'Annexure 4' to this Board's Report.

14. Board Evaluation

Pursuant to provisions of Schedule IV of the Act and rules made thereunder and provisions of Listing Regulations, the Company has formulated a policy called 'Nomination and Remuneration Policy' (the 'Policy') for performance evaluation of the Board, its Committees, Chairman of the Board, and other individual Directors (including Independent Directors). Based on the criteria mentioned in the Policy, your Company has prepared a questionnaire to carry out the performance evaluation. The Nomination and Remuneration Committee (hereinafter referred to as "NRC") and the Board carried out annual performance evaluation of the Board, its Committees, Chairman of the Board, and Individual Directors (including Independent Directors). The Independent Directors carried out annual performance evaluation of the Chairperson of the Board, the Non-independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties. The Company has adopted a Nomination and Remuneration Policy on Directors' Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under Section 178(3) of the Act, and the same can be accessed at <https://www.jagsonpal.com/investor-relations>

15. Meeting of the Board

During the year under review, 8 (Eight) Board Meetings were held on May 13, 2022, May 30, 2022, June 20, 2022, June 29, 2022, July 16, 2022, August 09, 2022, November 09, 2022 and February 08, 2023. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report forming part of the Annual Report.

16. Meeting of Independent Directors:

During the year under review, a meeting of Independent Directors was held on March 20, 2023 wherein the performance of the Non-Independent Directors, the Chairman and the Board as a whole was reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board of Directors of the Company.

17. Committees of the Board

The Board of Directors have the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The details of the Committees along with their composition, number and dates of the Meetings and

attendance at the Meetings are provided in the Corporate Governance Report forming part of this Annual Report.

19. Whistle Blower Policy/Vigil Mechanism

Pursuant to provisions of the Section 177(9) of the Act and the Listing Regulations, the Company has established a Vigil Mechanism/ Whistle Blower Policy to attend the genuine concerns expressed by the Employees, Directors and other Stakeholders. The Company has also provided adequate safeguards against victimisation of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co- employees and the Company. The Whistle Blower policy as approved by the Board has been uploaded on the website of the Company and the same can be accessed at www.jagsonpal.com.

20. Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace

The Company as an organisation is committed to provide a healthy environment to all its employees and thus, does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has set up Internal Complaint Committee which is chaired by a female employee of the Company. No complaints of sexual harassment were received during the financial year 2022-2023.

21. Subsidiaries, Associates and Joint Venture

As on March 31, 2023 the Company does not have any subsidiary/joint venture/associate companies within the meaning of Act.

22. Particulars of Loan, Guarantee or Investments

Pursuant to Section 186 of the Act, and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

23. Particulars of Contracts or Arrangements with Related Parties

All the transactions entered with related parties for the year under review were in the ordinary course of the business and on arm's length basis.

There were no material contracts/arrangements/ transactions entered with related parties as required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014.

Further, there were no materially significant related party transactions which could have potential conflict with the interests of the Company at large.



The Company has a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions in the line with the amended Listing Regulations and the same can be accessed at www.jagsonpal.com.

24. Corporate Governance

As per Regulation 34(3) read with Schedule V of the Listing Regulations, your Company has complied with the requirements of Corporate Governance. The report on Corporate Governance along with a certificate issued by M/s. Mukesh Arora & Co., Practicing Company Secretary and Secretarial Auditors of the Company, confirming compliance of Corporate Governance for the year ended March 31, 2023 is provided separately and forms part of the Annual Report.

25. Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, Management Discussion and Analysis containing Information inter-alia on industry trends, your Company's performance, future outlook, opportunities and threats for the year ended March 31, 2023, is provided separately and forms part of the Annual Report.

26. Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report of the Company for the financial year 2022-23 forms a part of the Annual Report as required under Regulation 34(2)(f) of the Listing Regulations.

27. Directors Responsibility Statement

Pursuant to the provisions of Section 134 (3)(c) and 134(5) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state and confirm that:

- In the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- such accounting policies and applied them consistently and have 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 as at March 31, 2023 and of the profit and loss of the Company for the year ended on that date;
- 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;
- the annual financial statements for the year ended March 31, 2023 are prepared on a going concern basis;

- the internal financial controls to be followed by the Company and that such systems are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

28. Risk Management

In line with SEBI Listing Regulations, the Company has constituted a Risk Management Committee (RMC) Composition of RMC is provided in the Corporate Governance Report, which forms part of the Annual Report.

RMC is entrusted with the responsibility of overseeing strategic, operational and financial risks that the organisation faces, along with the adequacy of mitigation plans to address such risks. Your Company has a risk management framework for identifying and managing risks and the Company has formulated a Risk Management Policy. Additional details are provided in the 'Management Discussion and Analysis' Report provided in a separately forms part of the Annual Report.

29. Employee Stock Option Scheme

During the year under review, Company rolled out 'Jagsonpal Pharmaceuticals Limited ESOP 2022' effective from August 9, 2022.

The details as required to be disclosed under Section 62 of the Act read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBS Regulations) is attached as 'Annexure 5' forming part of the annual report.

The Scheme is in compliance with applicable regulations and a certificate from M/s. Mukesh Arora & Co., Practicing Company Secretaries and Secretarial Auditor of the Company confirming that the scheme(s) has been implemented in accordance with the SEBI SBEBS and in accordance with the resolution of the Company in the General Meeting.

30. Transfer to Investor Education and Protection Fund

Pursuant to the applicable provisions of the Act, read with the IEPF Authority (Accounting Audit Transfer and Refund) Rules, 2016 ('the Rules') all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of seven years. Further, according to the rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends. Further the corresponding shares will be transferred as per the requirement of the IEPF rules.

31. Change in the Nature of Business, if any

During the year under review, there has been no change in the nature of business of the Company.

32. Material Changes and Commitments Affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of your Company between the end of the financial year 2022-23 and the date of this report.

33. Significant and Material Orders Passed by the Regulators or Courts or Tribunals

There are no significant and material orders passed by the Regulators, Courts or Tribunals during the year under review which would impact the going concern status of your Company and its future operations.

34. Other Disclosures

During the year under review:

- No frauds were reported by the Auditors as specified under Section 143 of the Companies Act, 2013.
- The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 and no proceedings are pending under the Insolvency and Bankruptcy Code, 2016 during the year.

- The Company has followed the applicable Secretarial Standards i.e., SS-1 and SS-2 issued by the Institute of Company Secretaries of India, relating to 'Meetings of Board of Directors' and 'General Meetings' respectively.
- The Company has not accepted or renewed any public deposits in terms of Sections 73 and 74 of the Act read with rules framed thereunder.
- There was no instance of onetime settlement with any Bank or Financial Institution.

Acknowledgement

The Board places on record its deep appreciation to all employees for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation the Company has been receiving from its suppliers, distributors, stockist, channel partners and other associated with it as its trading partners.

The Board also take this opportunity to thank all Stakeholders, Business Partners, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

For and on behalf of the Board of Directors

Harsha Raghavan

Chairman

(DIN: 01761512)

Date: May 23, 2023

Place: Gurugram

Annexure- 1

The particulars on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings/ Outgo and Research & Development as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014

(A) Conservation of Energy

Measures taken, additional investments and impact on reduction of energy consumption.

Disclosure of particulars with respect to Conservation of Energy:

Power and Fuel Consumption

Particulars	FY 2022-23	FY 2021-22
Consumption of power at office premises	1,14,968 Kwh	1,03,285 Kwh

Jagsonpal does not have any manufacturing unit.

(B) Technology Absorption

Disclosure of particulars with respect to Technology Absorption:

1. Efforts in brief made towards technology absorption, adaption, and innovation.

The Company continues to strive in developing technology and technical know - how for introduction of new products and formulation development. These are adapted, wherever necessary to local conditions.

2. Benefits derived as a result of the above efforts:

New product development, productivity and quality improvements, enhanced safety and environmental protection measure and conservation of energy.

(C) Expenditure on R & D

Particulars	₹ In Million	
	FY 2022-23	FY 2021-22
Capital Expenditure	0	0
Revenue Expenditure	0	0
Total	0	0

(D) Foreign Exchange Earnings & Outgo

Particulars	₹ In Million	
	FY 2022-23	FY 2021-22
Foreign Currency earned	55.28	45.41
Foreign Currency outgo	40.96	27.26

For and on behalf of the Board of Directors

Harsha Raghavan
Chairman
(DIN: 01761512)

Date: May 23, 2023

Place: Gurugram

Annexure- 2

Details Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ending March 31, 2023:	As on date of this Report, the Board comprises of 6 (Six) Directors consisting of 1 (one) Executive Director, 2 (Two) Non-Executive Directors and 3 (Three) Independent Directors. Name of the Director Ratio Mr. Manish Gupta, Managing Director 3125% The median remuneration for the period under review is approximately ₹0.32 Mn								
B.	The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the financial year ended March 31, 2023:	<table border="1"> <thead> <tr> <th>Particulars</th> <th>% Increase</th> </tr> </thead> <tbody> <tr> <td>Mr. Manish Gupta, Managing Director</td> <td>-</td> </tr> <tr> <td>Mr. S.V. Subha Rao, Chief Financial Officer</td> <td>17%</td> </tr> <tr> <td>Ms. Nandita Singh, Company Secretary (ceased to be the Company Secretary effective from December 31, 2022)</td> <td>18%</td> </tr> </tbody> </table>	Particulars	% Increase	Mr. Manish Gupta, Managing Director	-	Mr. S.V. Subha Rao, Chief Financial Officer	17%	Ms. Nandita Singh, Company Secretary (ceased to be the Company Secretary effective from December 31, 2022)	18%
Particulars	% Increase									
Mr. Manish Gupta, Managing Director	-									
Mr. S.V. Subha Rao, Chief Financial Officer	17%									
Ms. Nandita Singh, Company Secretary (ceased to be the Company Secretary effective from December 31, 2022)	18%									
C.	The percentage increase in the median remuneration of employees in the financial year ending March 31, 2023.	6.8%								
D.	The number of permanent employees on the rolls of the Company as on March 31, 2023.	940								
E.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	7.8% was the average percentile increase in the salaries of employees other than the managerial personnel in the last financial year. Salaries of 84% employees, other than the managerial personnel, got increased in the last financial year. Salaries of 66% managerial personnel got increased in the last financial year.								

For and on behalf of the Board of Directors

Harsha Raghavan
Chairman
(DIN: 01761512)

Date: May 23, 2023

Place: Gurugram



Annexure- 3

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 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,
Jagsonpal Pharmaceuticals Limited
T-210 J, Shahpur Jat
New Delhi-110049**

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jagsonpal Pharmaceuticals 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 opinion thereon.
2. Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ('Audit Period'), 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 :
 - (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - (ii) The Securities Contracts (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company as there were no transactions relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the financial year under review);
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (not applicable as the company did not issue any security during the financial year under review.)
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable as the company has not issued any debt securities during the financial year under review);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (not applicable as the company has not delisted its securities during the financial year under review)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable as the company has not bought back any of its securities during the financial year under review);
 - (i) and other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972;
4. We have also examined compliance with the applicable clauses / regulations of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial

- Standards-1 (Meeting of the Board of Directors) & Secretarial Standards-2(General Meetings)
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange (BSE) & National Stock Exchange of India Limited (NSE).
- (iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
5. During the period under review, as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Total grant of 1,467,920 (Fourteen Lakhs sixty-seven thousand nine hundred and twenty shares) employee stock option under Jagsonpal Pharmaceuticals Limited Employee Stock Option Plan, 2022 have been made to eligible employees.
6. During the year, there was change in the control and management of the Company. Infinity Holdings along with Person acting in concert ("PAC"). have acquired 43.73% stake in the Company and have become joint promoters w.e.f. June 27, 2022.
7. We further report that:
 - (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and woman director. The appointment and resignation of directors was done in compliance with the provisions of the Act and Rules made thereunder.

- (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) All decision at Board Meeting and Committee are carried through while the dissenting members' views are captured and recorded as part of the minutes.
8. 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.

For Mukesh Arora & Co.
Practicing Company Secretaries

Mukesh Arora
Proprietor

FCS No. 4819

CP No. 4405

UDIN NO: F004819E000334601

Date: May 19, 2023

Place: New Delhi

(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 Secretarial Audit Report

To
The Members,
Jagsonpal Pharmaceuticals Limited
T-210 J, Shahpur Jat,
New Delhi- 110049

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

- Maintenance of Secretarial Records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on audit.
- 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 the 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.
- We have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
- Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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 procedures on test basis.
- 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 **Mukesh Arora & Co.**
Practicing Company Secretaries

Mukesh Arora
Proprietor

FCS No. 4819
CP No. 4405
UDIN NO: F004819E000334601

Date: May 19, 2023
Place: New Delhi

Annexure- 4

Annual Report on CSR Activities

1. A brief outline on CSR Policy of the Company

Corporate Social Responsibility ("CSR") at Jagsonpal Pharmaceuticals Limited is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community, and the society at large to improve their lives in ways that are good for business and for its development.

In compliance with the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has taken the following steps:

- Adoption of CSR Policy which has been placed on the Company's website www.jagsonpal.com.
- While implementing CSR activities, the Company shall give priority to the area around its local limits.
- The Committee approved the following CSR activities which are in line with Schedule VII to the Act:
 - Education & Livelihood
 - Health & Sanitation

2. Composition of CSR Committee

The Composition of the Committee as on March 31, 2023 are as follows: -

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Radhika M Dudhat	Chairperson	2	2
2	Ms. Pallavi Dinodia Gupta	Member	2	2
3	Mr. Manish Gupta	Member	2	2

3. 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

Composition of the CSR committee shared above and is available on the Company's website on <https://www.jagsonpal.com/about-3-1>

CSR Policy and Projects – <https://www.jagsonpal.com/about-3-1>

4. 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: -

Not Applicable

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: - Nil

6. Average Net Profit of the Company as per Section 135 (5): - ₹195.35 Million

7. (a) Two percent of average net profit of the Company as per section 135(5): - ₹3.91 Million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: - NIL

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

(d) Total CSR obligation for the financial year (7a+7b- 7c): - ₹3.91 Million


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

Total Amount Spent for the Financial Year (₹ in Millions)	Amount Unspent (₹ in Millions)				
	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 Million)	Date of transfer	Name of the Fund	Amount	Date of transfer
1.73	2.17	April 20, 2023	Nil	Nil	Nil

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

Sr. 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 ₹ Millions)	Amount spent in the current financial Year (in ₹ Millions).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Millions)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency Name of Agency & CSR Registration no.
				State	District						
1.	Promotion of Menstrual Hygiene	(ii)	No	Punjab	Ropar	3 years	0.98	0.24	0.73		Sulabh International
2.	Environmental Cleanliness – Construction of toilet	(i)	Yes	Haryana	Gurugram	3 years	2.93	1.49	1.44	No	Social Service Organisation & CSR00000185
Total							3.91	1.73	2.17		

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

Sr. 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 ₹ Millions)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District				Name	CSR Registration number
Not applicable										

(d) Amount spent in Administrative Overheads: - NIL
(e) Amount spent on Impact Assessment, if applicable: - NIL
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): - ₹1.73 Million
(g) Excess amount for set off, if any: - NIL
9. (a) Details of Unspent CSR amount for the preceding three financial years: -

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in Millions)	Amount spent in the reporting Financial Year (In Millions)	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 Million)
				Name of the Fund	Amount (₹ in Millions)	Date of transfer	
1	2021-22	-	1.14	PM Care Fund	1.54	-	-
2	2020-21	-	0.23	-	-	-	-
3	2019-20	-	0.78	-	-	-	-

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

S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (₹ in Million)	Amount spent on the project in the reporting Financial Year (₹ in Million)	Cumulative amount spent at the end of reporting Financial Year (₹ in Million)	Status of the project - Completed / Ongoing
-	-	-	-	-	Nil	-	-	-

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:- NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:- Nil

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

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):-
Not applicable. The Company was in obligation to spend approx. ₹3.91 Millions towards CSR expenditure for financial year 2022-23 out of which ₹1.73 Millions was spent and balance was transferred to unspent ongoing projects as detailed in the report.

For and on behalf of the Board

Place: Gurugram
Date: May 23, 2023

Mr. Manish Gupta
Managing Director
DIN: 06805265

Ms. Radhika M Dudhat
Chairperson of CSR Committee
DIN: 00016712

Annexure- 5

Disclosure under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") of forming part of the Directors' Report for the year ended March 31, 2023

A. Details related to Employee Stock Option Scheme

During the year, the Board of Directors ("the Board") of the Company at its meeting held on May 13, 2022 based on the recommendation of the NRC, approved Jagsonpal Pharmaceuticals Limited Employees Stock Option Plan 2022 ("JPL ESOP 2022") under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted should not exceed 26,19,800 (Twenty-Six Lakhs Nineteen Thousand Eight Hundred Only) Equity Shares options exercisable into equivalent number of Equity Shares of ₹5/- each fully paid up of the Company.

The Scheme is extended to Permanent employees of the Company, whether working in India or outside India, and / or to the directors of the Company, whether whole-time or not but excluding independent director(s) and to such other persons as may be decided by the Board and / or permitted under SEBI ESOP Regulations (hereinafter referred to as 'Eligible Employees') but does not include an employee who is a promoter or a person belonging to the promoter group and the director(s) who either himself or through his relative or

through anybody corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

The Company sought and received Shareholder's approval for the said Scheme on June 17, 2022.

Subsequent to Shareholders' approval, the Company has received in-principal approval for listing from NSE on August 8, 2022 and BSE on August 25, 2022. The Board of Directors at their meeting held on August 9, 2022 has made the Scheme effective from August 9, 2022.

The above ESOP schemes are in compliance with the SEBI ESOP Guidelines. A certificate from M/s. Mukesh Arora & Co., Company Secretaries, the Secretarial Auditor of the Company, with respect to the implementation of the Company's Employee Stock Option Scheme, would be placed at the ensuing AGM for inspection by the Members. The said certificate is available for inspection by the Members in electronic mode.

A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including –

Sr. No.	Particulars	ESOP 2022 Scheme
1	Date of shareholders' approval	June 17, 2022
2	Total Number of options approved	2,619,800
3	Vesting Requirements	The Options granted under the Scheme shall vest over a maximum period of up to 5 (five) years from the date of grant, in one or more tranches, subject to the eligible employee achieving criteria. The criteria, which shall be determined by the Nomination and Remuneration Committee ("NRC") including, if so determined by NRC, either tenure based or performance based or a combination of the two, and the vesting period (which may differ basis respective optionee) will be specified in the option letter to be granted to respective optionee. In the event of criteria not being achieved, the NRC will have powers to allow vesting of Options in the manner or on such basis as decided by the NRC including on a pro-rata basis. The NRC shall have discretion in modifying the criteria to ensure alignment with the Company's longterm strategy and goals and the industry practice. There shall be a minimum vesting period of one year from the date of grant of option. In the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable.
4	Exercise price or pricing formula	The Initial Lot of Options will be granted at an Exercise Price of ₹235/- (Rupees Two Hundred Thirty Five Only) per Option. The Exercise Price for future grants (i.e. other than the Initial Lot of Options) shall be determined by the Nomination and Remuneration Committee at the time of grant and such price per Option shall not be less than the higher of (a) ₹235/- (Rupees Two Hundred Thirty Five Only) or (b) up to 20% (twenty per cent) discount to the Market Price. For the purpose of this clause, Options that will be granted by the NRC on or before December 31, 2022 will be considered 'Initial Lot of Options'

Sr. No.	Particulars	ESOP 2022 Scheme
5	Maximum term of options granted	4 years
6	Source of shares	Primary
7	Variation in terms of options	Nil
8	Method used to account for ESOP	The company shall use fair value method for the valuation of the options granted as prescribed under the 'Indian Accounting Standard (Ind AS) 102 Share-based Payment' or the relevant accounting standards as may be prescribed by the relevant authorities from time to time.
9	Where the company opts for expensing of the options using the intrinsic value of the options	NA

Option movement during the year.

Particulars	JPL ESOP 2022
Number of options outstanding at the beginning of the period	Nil
Number of options granted during the year	1,517,920
Number of options forfeited / lapsed during the Year	50,000
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Money realised by exercise of options (INR), if scheme is implemented directly by the company	Nil
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	1,467,920
Number of options exercisable at the end of the year	1,467,920
Weighted average fair values of options during the year	₹594.52

Employee-wise details of options granted during the year:

Sr. No.	Name of employee	Designation	No. of options granted during the year	Exercise price
Key managerial personnel/ Senior managerial personnel				
1	Manish Gupta	Managing Director	1,047,920	₹235/- per option

Any other employees who received a grant in any one year of option amounting to 5% or more of options granted during the year: Nil

Corporate Governance Report

Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance is to continuously strive to adopt and implement best-in-class governance practices. The Company's governance framework follows the highest standards of ethical and responsible conduct of business, so as to create value for all stakeholders. The Company firmly believes that, for its continued success, the organisation must consistently adhere to the highest standards of corporate behavior towards every stakeholder and the society at large.

The Company confirms compliance to the corporate governance practices as enshrined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations'), details whereof for the financial year ended March 31, 2023, are as set out hereunder:

1. Board of Directors

The Board of Directors of the Company has an optimum mix of Executive, Non-Executive and Independent Directors.

As on March 31, 2023, the Board comprises of 6 (Six) Directors out of which 1 (one) Director is Executive, 2 (Two) Directors are Non-Executive Non-Independent and 3 (Three) Directors are Non-Executive Independent which include 2 (Two) Women Independent Directors. The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 (the 'Act'). The Chairman of the Board is Mr. Harsha Raghavan, Non-Executive Director of the Company.

During the year, the Board underwent the following changes:

Cessation of Directorships

- Mr. Mammen Mathew (DIN: 00425579), Independent Director, Dr. Ashok Kumar Pati (DIN:08661819), Independent Director, Capt. Bharat Singh (DIN:

00347364), Independent Director, Mrs. Jasbir Kaur Kochhar (DIN: 01460798), Non-Executive Women Director and Dr. Ishpal Singh Ghai (DIN:06551659), Independent Director resigned from the Directorship of the Company w.e.f. June 29, 2022.

- Mr. Rajpal Singh Kochhar (DIN:00059492), Chairman and Managing Director resigned from the Directorship of the Company w.e.f. July 16, 2022.

Appointment of Directors

- Mr. Harsha Raghavan (DIN:01761512) and Mr. Prithipal Singh Kochhar (DIN:01052194) were appointed as Additional Directors (Non-Executive Non-Independent) of the Company w.e.f. June 29, 2022 to hold office up to conclusion of the 43rd AGM held on September 14, 2022. Their appointments were confirmed by the shareholders at the Annual General Meeting held on September 14, 2022.
- Mr. Debasis Bikash Nandy (DIN:06368365), Ms. Radhika Madhukar Dudhat (DIN:00016712), Ms. Pallavi Dinodia Gupta (DIN:06566637) were appointed as Additional Directors (Non-Executive Independent) of the Company w.e.f. June 29, 2022 to hold office up to conclusion of the 43rd AGM held on September 14, 2022. Their appointments were confirmed by the shareholders at the Annual General Meeting held on September 14, 2022.
- Mr. Manish Gupta (DIN:06805265) who was appointed as Additional Director and Managing Director of the Company w.e.f. July 16, 2022 to hold office up to conclusion of the 43rd AGM held on September 14, 2022. His appointment was confirmed by the shareholders at the Annual General Meeting held on September 14, 2022.

Composition of the Board of Directors as on March 31, 2023.

Name of Director	DIN	Category	Number of Directorships held in other public companies	Number of memberships in Board Committees	Chairmanships in Board Committees	Directorships held in other listed companies along with Nature of Directorship
Mr. Harsha Raghavan	01761512	Non-Executive and Chairman	3	2	Nil	-Hindustan Foods Limited – (NENID) -Camlin Fine Sciences Limited- (NENID) -Onward Technologies Limited - (NENID)
Mr. Manish Gupta	06805265	Managing Director	Nil	1	Nil	Nil
Mr. Debasis Bikash Nandy	06368365	Non- Executive Independent Director	1	2	1	Nil
Ms. Radhika Madhukar Dudhat	00016712	Non- Executive Independent Director	3	2	1	-Parag Milk Foods Limited – (NEID) Tips Films Limited - (NEID) -Jain Irrigation System Limited - (NEID)

Name of Director	DIN	Category	Number of Directorships held in other public companies	Number of memberships in Board Committees	Chairmanships in Board Committees	Directorships held in other listed companies along with Nature of Directorship
Ms. Pallavi Dinodia Gupta	06566637	Non- Executive Independent Director	2	4	1	Voith Paper Fabrics India Limited - (NEID) India Mart Intermesh Limited- (NEID)
Mr. Prithipal Singh Kochhar	01052194	Non-Executive Director	Nil	Nil	Nil	Nil

Notes:

- Number of Directorships held in other public companies excludes Directorship in Jagsonpal Pharmaceuticals Limited, private companies, deemed public companies, foreign companies and companies under Section 8 of the Companies Act, 2013
- Only Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies including Jagsonpal Pharmaceuticals Limited are considered.

Abbreviations:

C = Chairman

ED = Executive Director

NENID = Non-Executive Non-Independent Director

NEID = Non-Executive Independent Director

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limit specified under Regulation 26(1) of the Listing Regulations. Further, none of the Directors hold Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Companies Act, 2013. Further, the other directorships held by all Directors including Independent Directors are within the limit prescribed under Listing Regulations.

Inter-se relationship among Directors

There is no inter-se relationship amongst any of the Directors of the Company during the year under review.

Separate Meeting of Independent Directors

In terms of provisions of the Act and Regulation 25 of the Listing Regulations, the Independent Directors met on March 20, 2023 without the presence of Non-Independent Directors.

The Independent Directors in their Meeting held on March 20, 2023, inter-alia:

- reviewed the performance of Non-Independent Directors and the Board as a whole.
- reviewed the performance of the Chairperson of the Company, considering the views of Executive directors and Non-Executive Directors.

Directors	Area of Expertise					
	General Management and Business Operations	Leadership	Financials	Risk Management	Board service and Governance	Sales and Marketing
Mr. Harsha Raghavan	✓	✓	✓	✓	✓	
Mr. Manish Gupta	✓	✓	✓	✓	✓	✓
Mr. Debasis Bikash Nandy,	✓	✓	✓	✓	✓	
Ms. Radhika Madhukar Dudhat		✓	✓	✓	✓	
Ms. Pallavi Dinodia Gupta	✓	✓	✓	✓	✓	
Mr. Prithipal Singh Kochhar	✓	✓		✓	✓	✓

- assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

2. Familiarisation programme for Independent Directors

The Board Members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarise with Company's procedures and practices. Periodic presentations are made at the Board Meetings on regulatory updates, roles and responsibilities as a Director of the Company, updates on industry in which the Company operates and business model of the Company.

The Board Members were also provided with an induction kit at the time of joining the Board providing details of Company's business, history, processes, their duties and responsibilities etc.

The details on familiarisation programme are disclosed on the website of the Company at www.jagsonpal.com.

Skills/ Expertise/ Competencies of the Board of Directors

Pursuant to SEBI (LODR) (Amendment) Regulations, 2018, the Company has set out below the chart/ matrix setting out the skills/expertise/competence of the Board of Directors of the Company along with names of directors who possess such skills/expertise/competence.



During the year under review, all Independent Directors of the Company fulfil the criteria of independence as specified in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1) of the Listing Regulations and have furnished declaration of independence pursuant to Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations. The said declaration of independence was reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfil the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

A formal letter of appointment as provided in the Act and Listing Regulations has been issued to Independent Directors of the Company. Terms and Conditions of appointment of Independent Directors and the profile of Directors are disclosed on the website of the Company i.e. www.jagsonpal.com.

Attendance at Board Meetings and last Annual General Meeting

During, the year ended March 31, 2023, the Board met 8 (Eight) times and the attendance of each Director at Board meetings, and the annual general meeting is given below:

Name of Director	No. of Board Meetings held during the period in which said Director was on Board	Attendance at the Board Meeting	Attendance at the last AGM
Mr. Rajpal Singh Kochhar, Chairman & Managing Director	5	5	NA
Mrs. Jasbir Kaur Kochhar, Women Director	4	3	NA
Capt. Bharat Sinh, Independent Director	4	4	NA
Dr. Ishpal Singh Ghai, Independent Director	4	4	NA
Dr. Ashok Kumar Pati, Independent Director	4	4	NA
Mr. Mammen Mathew, Independent Director	4	4	NA
Mr. Harsha Raghavan, Non-Executive Chairman	4	4	Yes
Mr. Prithipal Singh Kochhar, Non-Executive Director	4	4	Yes
Mr. Manish Gupta, Managing Director	3	3	Yes
Mr. Debasis Bikash Nandy, Independent Director	4	4	Yes
Ms. Radhika Madhukar Dudhat, Independent Director	4	4	Yes
Ms. Pallavi Dinodia Gupta, Independent Director	4	4	Yes

3. Board Meetings held during the year.

During the year ended March 31, 2023, 8 (Eight) Board Meetings were held. These Meetings were held on May 13, 2022, May 30, 2022, June 20, 2022, June 29, 2022, July 16, 2022, August 09, 2022, November 09, 2022, and February 08, 2023.

4. Audit Committee

The Company has set up an Audit Committee in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations

Terms of Reference

The Company has an independent Audit Committee. The composition, procedures, powers and role/functions of the Audit Committee, constituted by the Company, comply with requirements of the Act and the Listing Agreement as entered with the Stock Exchange/ Regulations.

The Audit Committee has the following responsibilities/ powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.

Role of Audit Committee

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with reference to,
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Act
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.

- Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions
 - Modified opinions in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - Approval or any subsequent modification of transactions of the company with related parties.
 - Scrutiny of inter-corporate loans and investments.
 - Valuation of undertakings or assets of the company, wherever it is necessary.
 - Evaluation of internal financial controls and risk management systems.
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
- To review the financials of unlisted subsidiaries, in particular the investment made by unlisted subsidiaries.
- Reviewing the statement of deviations:
 - Quarterly statement of deviations including report of monitoring agency, if applicable, submitted to stock exchange in terms of the Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - Annual Statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- To review the utilisation of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
- To review management discussion and analysis of financial condition and results of operations.
- To review statement of significant related party transactions (as defined by the audit committee), submitted by management.
- To review management letters / letters of internal control weaknesses issued by the statutory auditors.
- To review internal audit reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the chief internal auditor.
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Composition of Audit Committee, Meetings held and attendance during the year.

As on March 31, 2023, the Audit Committee has 3 (Three) Members consisting of 2 (Two) Non-Executive

Independent Directors and 1 (One) Non-Executive Non-Independent Director. The Members of the Audit Committee as on March 31, 2023, are:

1. Mr. Debasis Bikash Nandy-Chairman
2. Ms. Pallavi Dinodia Gupta-Member
3. Mr. Harsha Raghavan-Member

During the year, Audit Committee was reconstituted at the Board meeting held on June 29, 2022 as under:

Name of Members (before reconstitution)	Name of Members (after reconstitution)
Capt. Bharat Singh - Chairman	Mr. Debasis Bikash Nandy - Chairman
Dr. Ishpal Singh Ghai - Member	Ms. Pallavi Dinodia Gupta - Member
Dr. Ashok Kumar Pati - Member	Mr. Harsha Raghavan - Member
Mrs. Jasbir Kaur Kochhar - Member	

During the year ended March 31, 2023, (6) Six Audit Committee Meetings were held on May 30, 2022, June 20, 2022, July 16, 2022, August 09, 2022, November 09, 2022 and February 08, 2023. The Company Secretary of the Company also acts as the secretary to this Committee.

All the meetings were attended by all the Committee members during the period in which they were members.

5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") has been constituted in terms of Section 178 of the Act and Remuneration 19 of the Listing Regulations.

Terms of reference

The role of the Nomination and Remuneration Committee includes the following:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Directors and the Board.
- c. Devising a policy on Board diversity.
- d. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- e. Discussing and deciding on whether to extend or continue the term of appointment of the Independent Director based on the report of performance evaluation of Independent Directors.
- f. To recommend to the board, all remuneration, in whatever form, payable to senior management.

- g. NRC shall evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, NRC may:

- i. use the services of an external agencies, if required
- ii. consider candidates from a wide range of backgrounds, having due regard to diversity and
- iii. consider the time commitments of the candidates.

Composition of Nomination and Remuneration Committee (NRC)

As on March 31, 2023, the NRC Committee has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director. The Members of the Nomination Committee as on March 31, 2023, are:

1. Ms. Radhika Madhukar Dudhat-Chairperson
2. Mr. Debasis Bikash Nandy-Member
3. Mr. Prithipal Singh Kochhar-Member

During the year, Nomination and Remuneration Committee was reconstituted at the Board meeting held on June 29, 2022 which is as under:

Name of Members (before reconstitution)	Name of Members (after reconstitution)
Capt. Bharat Singh - Chairman	Ms. Radhika Madhukar Dudhat - Chairperson
Dr. Ishpal Singh Ghai - Member	Mr. Debasis Bikash Nandy - Member
Mrs. Jasbir Kaur Kochhar - Member	Mr. Prithipal Singh Kochhar - Member

During the year ended March 31, 2023, 5 (Five) NRC Meetings were held on May 13, 2022, June 29, 2022, July 16, 2022, August 29, 2022 and February 08, 2023. The Company Secretary of the Company acts as the secretary to this Committee.

All the meetings were attended by all the Committee members during the period in which they were members.

Remuneration Policy

The Committee recommends the compensation package to the executive directors of the Company. The remuneration will include salary, perquisite, allowances and commission. The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high caliber talent. The Policy is available at the following link: www.jagsonpal.com

Performance evaluation criteria for independent Directors/Directors

Pursuant to provisions of Schedule IV of the Act and rules made thereunder and provisions of Listing Regulations, the Company has formulated a policy called 'Nomination and Remuneration Policy' (the 'Policy') for performance evaluation of the Board, its Committees, Chairperson of the Board, and other individual Directors (including Independent Directors). Based on the criteria mentioned in the Policy, your Company has prepared a questionnaire to carry out the performance evaluation the Nomination and Remuneration Committee (hereinafter referred to

as "NRC") and the Board carried out annual performance evaluation of the Board, its Committees, Chairperson of the Board, and Individual Directors (including Independent Directors). The Independent Directors carried out annual performance evaluation of the Chairperson of the Board, the Non-independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Remuneration paid to Directors

Name of the Director	Salary (Including perquisites)	Sitting Fees	Commission	Total
				(₹ In Million)
Mr. Manish Gupta	10.59	-	-	10.59
Mr. Rajpal Singh Kochhar	6.81	-	-	6.81
Mr. Jasbir Kaur Kochhar	-	-	-	-
Capt. Bharat Singh	-	0.06	-	0.06
Dr. Ishpal Singh Ghai	-	0.05	-	0.05
Dr. Ashok Kumar Pati	-	0.04	-	0.04
Mr. Mammen Mathew	-	0.03	-	-
Mr. Harsha Raghavan	-	-	-	-
Ms. Pallavi Dinodia Gupta	-	0.50	0.50	1
Ms. Radhika Madhukar Dudhat	-	0.45	0.50	0.95
Mr. Debasis B Nandy	-	0.58	0.50	1.08
Mr. Prithipal Singh Kochhar	-	-	-	-

During the financial year 2022-23, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company apart from receiving sitting fees for attending the Meetings of Board and Committee of the Company.

The Managing Director is eligible for variable pay against the performance criteria as set by the Company. Further, his contract is governed by the service period applicable as per the internal policies of the Company.

During the year, Mr. Manish Gupta, Managing Director of the Company have been granted 10,47,920 Employee Stock Options at an exercise price of ₹235.00/- per option.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee (SRC) has been constituted in terms of the provisions related thereto in the Act and Regulation 20 of the Listing Regulations under the chairmanship of a Non- Executive Director.

Terms of Reference:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends,

issue of new/duplicate certificates, general meetings etc.

2. To review measures taken for effective exercise of voting rights by the shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Composition of the Committee

As on date, the SRC has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Executive Director of the Company. The Members of the Committee as on March 31, 2023, are as under:

1. Ms. Pallavi Dinodia Gupta -Chairperson
2. Mr. Debasis Bikash Nandy -Member
3. Mr. Manish Gupta-Member



During the year, the Stakeholders Relationship Committee was reconstituted at the Board meeting held on June 29, 2022 and July 16, 2022.

Name of Members (before reconstitution)	Name of Members (after reconstitution)
Capt. Bharat Singh - Chairman	Ms. Pallavi Dinodia Gupta - Chairperson w.e.f. June 29, 2022
Dr. Ishpal Singh Ghai - Member	Mr. Debasis Bikash Nandy - Member w.e.f. June 29, 2022
Mrs. Jasbir Kaur Kochhar - Member	Mr. Prithipal Singh Kochhar - Member* w.e.f. June 29, 2022 Mr. Manish Gupta - Member July 16, 2022**

*Mr. Prithipal Singh Kochhar was a member of the Committee from June 29, 2022 to July 16, 2022.

**Mr. Manish Gupta was inducted as Member of the Company on July 16, 2022.

During the year ended March 31, 2023, 2 (Two) Meetings were held May 30, 2022 and March 20, 2023 and all the Committee Members attended the said meeting. The Company Secretary of the Company acts as a Secretary to the Committee.

The Committee has delegated the power of Share Transfer to the Compliance Officer of the Company.

The delegated authority attends to for the matter of Share Transfer formalities on a regular basis.

Shareholders Complaint details: 2 (Two) complaints were received from Shareholders of the Company during the year ended March 31, 2023. There were no complaints pending as on March 31, 2023.

The designated email address for shareholders complaints is cs@jagsonpal.com

Corporate Social Responsibility Committee (CSR)

As on date, the CSR has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Executive Director of the Company. The following are the Members of the Committee as on March 31, 2023:

- Ms. Radhika Madhukar Dudhat - Chairperson
- Ms. Pallavi Dinodia Gupta - Member
- Mr. Manish Gupta - Member

During the year, the Corporate Social Responsibility Committee was reconstituted at the Board meeting held on June 29, 2022 and July 16, 2022.

Name of Members (before reconstitution)	Name of Members (after reconstitution)
Capt. Bharat Singh - Chairman	Ms. Radhika M Dudhat - Chairperson w.e.f. June 29, 2022
Dr. Ishpal Singh Ghai - Member	Ms. Pallavi Dinodia Gupta - Member w.e.f. June 29, 2022
Mrs. Jasbir Kaur Kochhar - Member	Mr. Prithipal Singh Kochhar - Member* w.e.f. June 29, 2022 Mr. Manish Gupta - Member w.e.f. July 16, 2022**

*Mr. Prithipal Singh Kochhar was a member of the Committee from June 29, 2022 to July 16, 2022.

** Mr. Manish Gupta was inducted as a member of the Committee w.e.f. July 16, 2022

During the year ended March 31, 2023, 2 (Two) CSR Committee Meetings were held. These Meetings were held on November 09, 2022 and February 08, 2023. All the Committee Members attended both the meetings held during the year.

The CSR Committee is constituted by the Board in accordance with the Act to:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company and amendments to the policy as and when required.
- Regular monitoring and implementation of CSR Policy.
- Identify Key initiatives pursuant to the CSR Policy.
- Recommend to the Board the CSR expenditure to be incurred.
- Identify and recommend ongoing projects to the Board

A Report on CSR Activities carried out by the Company during FY 2022-23 is provided as **Annexure 4 to the Board's Report.**

Risk Management Committee (RMC)

The Risk Management Committee was constituted by the Board on June 29, 2022 in terms of Regulation 21 of the Listing Regulations with Mr. Debasis Bikash Nandy - Independent Director, Ms. Radhika Madhukar Dudhat - Independent Director and Mr. Harsha Raghavan - Non - Executive Director as Members.

During the year ended March 31, 2023, 2 (Two) Risk Management Committee Meetings were held on November 09, 2022 and March 20, 2023. All the Committee members attended both the meetings held during the year.

The RMC Committee is constituted by the Board in accordance with the Listing Regulations to:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it is considered necessary.
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with the activities of such committees, as per the framework laid down by the board of directors.

General Meetings

(a) Details of the last three Annual General Meetings of the Company and Special Resolutions passed in that Meeting are as below:

Financial Year	Date and Time	Venue	Special Resolutions
2019-20	September 30, 2020 at 10:00 A.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	<ul style="list-style-type: none"> To reappoint Shri. Rajpal Singh Kochhar (DIN: 00059492) as a Managing Director
2020-21	September 30, 2021 at 10:00 A.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	No Special resolution was passed.
2021-22	September 14, 2022 at 03:30 P.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	<ul style="list-style-type: none"> Appointment of Mr. Debasis Bikash Nandy as an Independent Director Appointment of Ms. Radhika Madhukar Dudhat as an Independent Director Appointment of Ms. Pallavi Dinodia Gupta as an Independent Director Appointment of Mr. Manish Gupta as Managing Director Grant of options of more than 1% of the issued capital to Mr. Manish Gupta, Managing Director Amendment to Articles of Association of the Company.

All the resolutions set out in the respective Notices were passed by the requisite majority of the members attending the AGM. All the resolutions set out in the notices were passed by the members.

Non special resolutions was passed last year through postal ballot.

Means of Communication:

- The quarterly results are forthwith communicated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") as soon as they are approved and taken on record.
- The results are published generally in Business Standard (English) and Business Standard (Hindi) newspapers.

- The results and shareholding pattern of the Company are displayed on the website of the Company i.e., www.jagsonpal.com
- The official news releases are intimated to Stock Exchanges (BSE & NSE) and also uploaded on the website of the Company i.e., www.jagsonpal.com

Disclosures:

- The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note to the standalone financial statements in the Annual Report.

During the year under review, the Company has formulated a revised Policy on Materiality of Related



- Party Transactions and on dealing with Related Party Transactions in the line with the amended Listing Regulations and the same can be accessed at www.jagsonpal.com.
- ii. The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and other statutory authorities on matters relating to capital markets during the last 3 years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities relating to the above. During the year, the Company has paid the penalty to the BSE and NSE for violation of Regulation 29(2)/29(3) of Listing Regulations amounting ₹10,000 each.
- iii. The Company is in compliance with all mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- iv. The Company had appointed M/s. S. S. Kothari Mehta & Company, Chartered Accountants, as Internal Auditors of the Company for the financial year 2022-23. The reports of Internal Auditors are placed before the Audit Committee on a quarterly basis and the risk assessment and mitigation recommendations forms part of their presentation to the Audit Committee.
- v. Pursuant to provisions of Section 177(9) of the Act and Listing Regulations, the Company has established the Vigil Mechanism, as part of the Whistle Blower Policy, for the Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct.
- It also provides adequate safeguards against the victimisation of employees who avail of this mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Board confirms that no personnel have been denied access to the Audit Committee.
- During the year under review, the Company has the revised Whistle Blower policy and the same can be accessed at www.jagsonpal.com
- vi. In addition to the same, your Company also strives to adhere and comply with the discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of the Listing Regulations, to the extent applicable.
- a. The Company has appointed separate persons for the post of Chairman and Managing Director.
- b. The Internal Auditor is appointed by the Audit Committee and makes a presentation of their findings to the Audit Committee.
- vii. The disclosure pertaining to Sexual Harassment of Women at workplace is disclosed in the Board's Report. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on March 31, 2023.
- viii. There are no shares lying in demat suspense account/unclaimed suspense account.
- ix. The Company does not undertake any commodity hedging activities.

Details of Shareholding of Non-Executive Directors:

Mr. Prithipal Singh Kochhar, Non-Executive Directors of the Company holds 95,394 (0.36%) equity shares. He also holds 9% of equity shares in Aresko Progressive Private Limited, a promoter group entity.

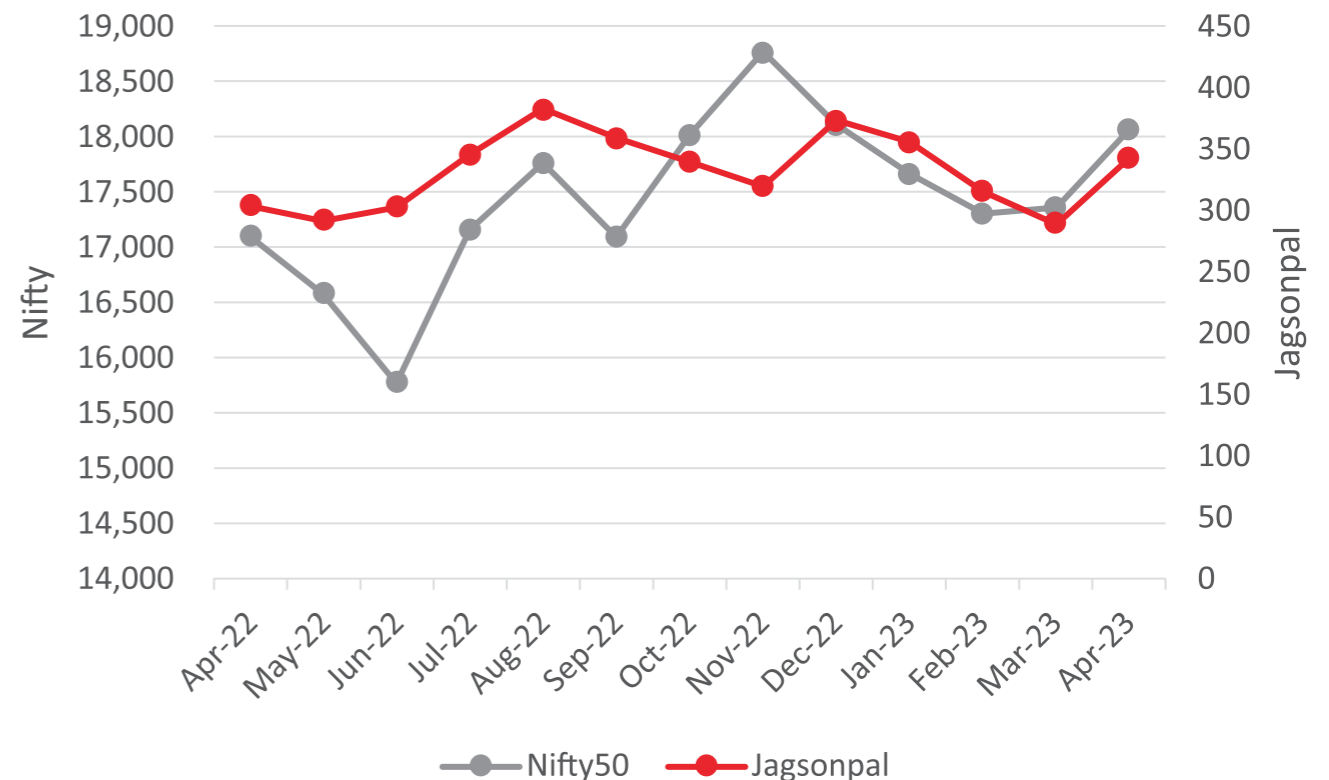
General shareholder information

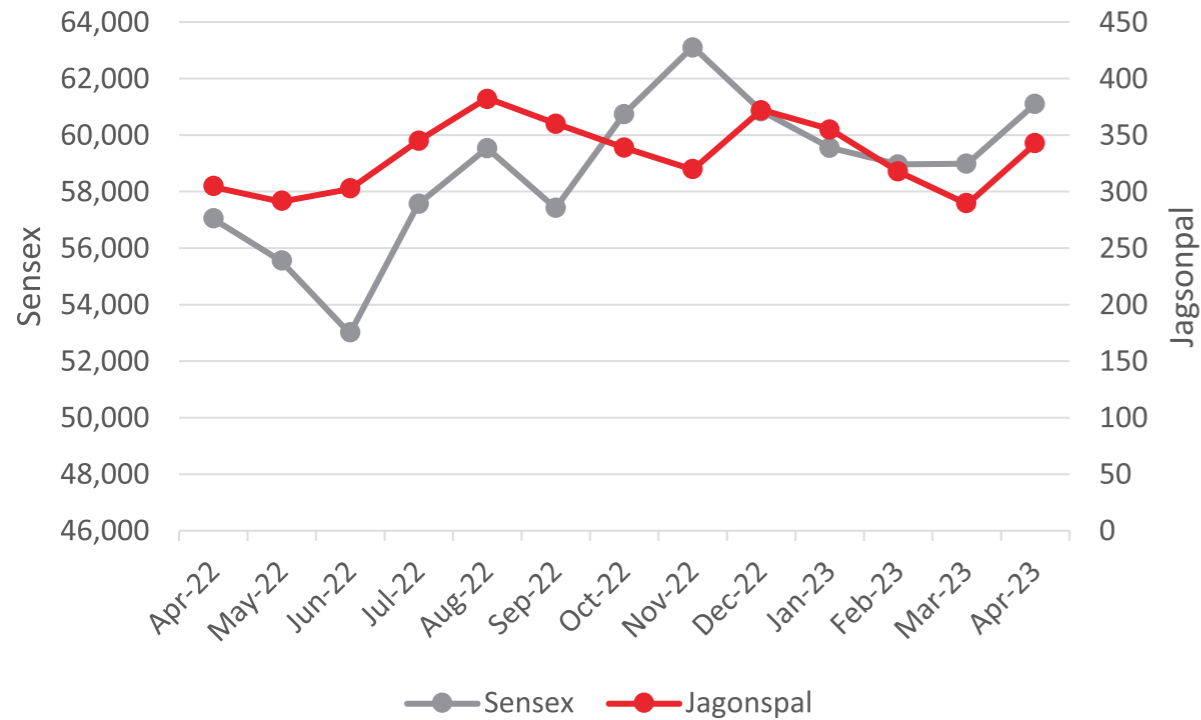
AGM: Date, Time and Venue	August 31, 2023, at 3:30pm (IST) through Video Conferencing / Other Audio - Visual Means as set out in the Notice convening the Annual General Meeting.
Financial Year	April 1 to March 31
First Quarter Results	On or before August 14, 2023
Second Quarter Results	On or before second week of November, 2023
Third Quarter Results	On or before second week of February, 2024
Fourth Quarter Results	On or before fourth week of May, 2024
Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code: 507789 National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Symbol: JAGSNPHARM ISIN: INE048B01027 The Company has paid listing fees for the financial year 2023-24 to the Stock Exchanges

Dividend Payment	The dividend shall be paid/credited within 30 days from the date of approval of the members.
Registrar & Transfer Agents	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase – I New Delhi 110020
Share transfer system	The Shares of the Company are tradable compulsorily in demat mode.
Address for Correspondence	Mr. Abhishek Joshi Company Secretary & Compliance Officer Jagsonpal Pharmaceuticals Limited T-210 J, Shahpur Jat, New Delhi – 110049 Email: cs@jagsonpal.com

Market Price Data (High, Low during each month in financial year 2022-23)

Month	NSE		BSE	
	High	Low	High	Low
Apr-22	369	296.05	369.55	286
May-22	332.4	270	330.7	267
Jun-22	323.95	251.8	324.1	254
Jul-22	367.55	302.95	387.6	301
Aug-22	418.9	334.25	420.2	335.95
Sep-22	403	348.3	403	347.3
Oct-22	376.85	329.2	376.35	333.65
Nov-22	370.25	298.85	370	299
Dec-22	409	318.5	409.1	320.25
Jan-23	398.95	344.8	394.1	341
Feb-23	359	315	359	313
Mar-23	319.8	285	324	285.15





(b) Details of the Extra Ordinary General Meetings of the Company and Special Resolutions passed in that Meeting are as below:

Financial Year	Date and Time	Venue	Special Resolutions
2021-22	June 17, 2022 and 11:00 a.m.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	<ul style="list-style-type: none"> To approve the amendment of the Article of Association of the Company To approve Employee Stock Option Scheme To grant Employee Stock Option to employee of Subsidiaries of the Company

All the resolutions set out in the respective Notices were passed by the requisite majority of the members attending the AGM. All the resolutions set out in the notices were passed by the members.

Bifurcation of shares held in physical and demat as on March 31, 2023

Particulars of Equity Shares	Equity Shares of ₹5 each	
	Number	% of Total
NSDL	23,685,620	90.41
CDSL	2,294,151	8.75
Sub-Total	25,979,771	99.16
Physical	218,229	0.83
Total	26,198,000	100.00

Distribution of Shareholding as on March 31, 2023:

Sr. No.	No. of Shares Held	No. of Shares	% of Equity	No. of Holders	% to No. of Holders
1	1	1403	0.005	1403	9.963
2	2 - 10	18663	0.071	3105	22.049
3	11 - 100	277500	1.059	5224	37.097
4	101 - 200	232281	0.887	1367	9.707
5	201 - 500	493996	1.886	1328	9.430
6	501 - 1000	790615	3.018	1000	7.101
7	1001 - 5000	1141950	4.359	525	3.728
8	5001 - 10000	502944	1.920	68	0.483
9	10001 - 50000	764932	2.920	37	0.263
10	50001 - 100000	806072	3.077	10	0.071
11	100001 and above	21165044	80.797	15	0.107

Shareholding pattern of Equity Shares as of March 31, 2023

Category	Number of Shareholders	Number of Shares held	% to total paid up Capital
Promoters & Promoter Group Companies	5	18,001,914	68.72
Bodies Corporate	89	1,154,888	4.40
Banks / Mutual Funds/ Financial Institutions (FIs)	2	800	0.00
Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors [FPIs]	1	25,497	0.09
Non-Resident Individuals (NRIs)/Foreign Corporate Bodies/ Overseas Corporate Bodies (OCBs)/ Foreign Banks	185	116,006	0.4
Resident Individuals	13,535	3,567,621	13.61
Directors (Excluding promoter directors) & their relatives	1	95,394	0.36
Alternate Investment Fund	1	215,669	0.82
Others (HUF/IEPF/ Clearing Members/QIB)	260	3,020,211	11.52
Total	14,079	26,198,000	100.00

Unpaid/ Unclaimed Dividends

Provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, mandates Companies to transfer dividends that has remained unpaid/ unclaimed for a period of seven years to Investor Education and Protection Fund (IEPF). Further, IEPF Rules mandate that shares on which dividend has not been claimed/ encashed for seven consecutive years or more be transferred to IEPF.

In accordance with the said IEPF Rules and its amendments, Company sends reminders to respective Shareholders informing them to claim their unclaimed dividends and shares before it is transferred to IEPF Transfer of Dividend/ Shares of Shareholders who responded to Company's correspondence was facilitated.

Company has appointed Mr. Abhishek Joshi, Company Secretary as the Nodal Officer of the Company under the provisions of IEPF, the details of which are available on the website of the Company www.jagsonpal.com.

a. Transfer of Dividends to IEPF

Details of transferred of Dividends to IEPF is as under:

FY	Type of Dividend	Dividend Declared on	Amount Transferred to IEPF
2014-15	Final	September 30, 2015	96,754

Details of transfer of Dividends to IEPF is as under:

FY	Type of Dividend	Dividend Declared on	Amount to be transferred to IEPF
2015-16	Final	September 30, 2016	126,145.80

Share transfer system

MCS Share Transfer and Agents Limited is the Registrar and Share Transfer Agent (RTA) of the Company. Shareholders may reach out to the Company/ RTA for their queries and activities relating to Shares.

Prohibition of physical transfer of shares

Shareholders to note that effective April 1, 2019, SEBI has barred physical transfer of shares of listed companies and mandated transfers only through demat mode. Shareholders are not barred from holding shares in physical form. However, for ease of transactions it is recommended that they dematerialise their shares. SEBI has mandated the requisite process in this matter.

Shareholders may contact the RTA at admin@mcsregistrar.com or the Company at cs@jagsonpal.com to understand and initiate the process.

Freezing of Folios

SEBI vide their Circular dated November 3, 2021, December 14, 2021 and March 16, 2023 has mandated furnishing of PAN, email address, mobile number, bank account details

and nomination by holders of physical securities. Further, SEBI is also mandating shareholders to link their PAN with their Aadhar number.

Accordingly, RTA Company shall consider service requests such as transfer, transmission, issue of duplicate share certificates, renewal/ exchange of share certificates, consolidation of folios etc. only upon registration of PAN, Bank details and Nomination.

In case a shareholder of physical securities fails to furnish the above including linking of Aadhar, RTA is obligated to freeze such folios effective October 1, 2023 and the securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents.

Issue of shares In demat mode

As an ongoing measure to enhance ease of dealing in securities by investors, SEBI vide its Circular dated January 25, 2022, has mandated listed companies to issue securities in demat form only, while processing service requests such as transfer,



transmission, issue of duplicate share certificates, renewal exchange of share certificates, consolidation of folios etc.

In terms of the Circular,

- Claimant/ Securities Holder shall submit their request in Form ISR-4 (hosted on website of Company) along with requisite documents and details;
- RTA shall verify the request and documents submitted and thereafter issue a 'Letter of Confirmation' (LoC) in lieu of physical securities certificates to the Claimant Securities Holder within 30 days of receipt of such request.
- LoC shall be valid for a period of 120 days from the date of its issuance;
- Claimant/ Securities Holder to make a request to the Depository Participant for dematerialising the said securities;
- In case the Claimant/ Securities Holder fails to submit the demat request within the prescribed period, such shares shall be credited to the Suspense Escrow Demat Account opened with Nam Securities Limited by the Company.

Change in Registrar and Share Transfer Agent

No Change during the year under review.

Outstanding ADRs/GDRs/warrants/ other convertible instruments:

The Company has no outstanding GDRs / ADRs / Warrants or any convertible instruments, as of date.

Sr. No.	Particulars	Number of Equity Shares/ Options (In Lakhs)
1	Total number of options outstanding as on April 1, 2022	Nil
2	Total number of options granted under ESOP Scheme during the Year	1,517,920
3	Options vested during the year	Nil
4	Options exercised during the year	Nil
5	Options lapsed or forfeited during the year	50,000
6	Total number of options outstanding as on March 31, 2023	1,467,920
7	Options exercisable as on March 31, 2023	1,467,920

The above ESOP schemes are in compliance with the SEBI ESOP Guidelines. A certificate from M/s. Mukesh Arora & Co., Company Secretaries, the Secretarial Auditor of the Company, with respect to the implementation of the Company's Employee Stock Option Scheme(s), would be placed at the ensuing AGM for inspection by the Members. The said certificate is available for inspection by the Members in electronic mode.

Recommendations of the committees

During the year under review, the Board has accepted all recommendations made by the Audit Committee and Nomination and Remuneration Committee.

Succession Plan for Directors

The Nomination and Remuneration Committee (NRC) assists the Board in identifying and selecting new directors in the event of an anticipated or an unanticipated vacancy in the Board.

ESOPs:

During the year, the Board of Directors ("the Board") of the Company at its meeting held on May 13, 2022 based on the recommendation of the NRC, approved Jagsonpal Pharmaceuticals Limited Employees Stock Option Plan 2022 ("JPL ESOP 2022") under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted should not exceed 26, 19,800 (Twenty-Six Lakhs Nineteen Thousand Eight Hundred Only) Equity Shares options exercisable into equivalent number of Equity Shares of ₹5/- each fully paid up of the Company.

The Company sought and received Shareholder's approval for the said Scheme on June 17, 2022.

Subsequent to Shareholders' approval, the Company has received in-principal approval for listing from NSE on August 8, 2022 and BSE on August 25, 2022. The Board of Directors at their meeting held on August 9, 2022 has made the Scheme effective from August 9, 2022.

Under the Scheme, as on date, 14,67,920 were granted to eligible employees at an exercise price of ₹235/- per option. The employees were eligible to exercise the said option within a period of one year from the date of vesting, failing which the Options shall lapse.

The purpose of the Director Succession Plan is to ensure the orderly identification and selection of new directors in the event of a vacancy on the Board, whether such opening exists by reason of an anticipated retirement, an unanticipated departure, the expansion of the size of the Board, or otherwise.

Fees paid to Auditors

Total fees paid by the Company to the Statutory Auditor: ₹1.80 Million.

Particulars	₹ in Million
For Statutory Audit	1.80
For Out of Pocket Expense	0.06

Credit Rating

ICRA BBB (Positive) / ICRA A2

No disqualification Certificate from Company Secretary in Practice

The Company has obtained a certificate from M/s. Mukesh Arora & Co, Practising Company Secretaries, as required under Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, Ministry of Corporate Affairs or any such Statutory Authority as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

The same is appended to this report as an 'Annexure A'.

Compliance Certificate from Practising Company Secretary

Certificate from the Company's Secretarial Auditors, M/s. Mukesh Arora & Co., Practising Company Secretaries, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

The same is appended to this report as 'Annexure B'.

CEO & CFO Certification

The Managing Director (MD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The MD and the CFO also give quarterly certification on financial results while placing the financial results

before the Board in terms of Regulation 33(2) of the Listing Regulations.

Annual Secretarial Compliance Report

Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from M/s. Mukesh Arora & Co., Practising Company Secretary confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company.

Code of Conduct

The Board has prescribed Code of Conduct ("Code") for all Board Members and Senior Management of the Company.

The Code of Conduct is also posted on the website of the Company. All Board Members and Senior Management Personnel have confirmed compliance with the Code for the financial year 2022-23. A declaration to this effect signed by Mr. Manish Gupta, Managing Director is reproduced below:

In accordance with Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that; all the Members of the Board and the Senior Management of the Company have affirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management, as applicable to them, in respect of the financial year 2022-23.

Note: The information given herein above is as of March 31, 2023, unless otherwise stated.

Place: Gurugram
Date: May 23, 2023

For and on behalf of the Board of Directors

Harsha Raghavan
Chairman


Annexure 1
Annexure 2

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Jagsonpal Pharmaceuticals Limited,
T-210 J, Shahpur Jat,
New Delhi, India-110049

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Jagsonpal Pharmaceuticals Limited having CIN:L74899DL1978PLC009181 and having registered office at T-210 J, Shahpur Jat, New Delhi, India- 110049 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations/ representations furnished to us by the Company & its Director/officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	RADHIKA MADHUKAR DUDHAT	00016712	29/06/2022
2	PRITHIPAL SINGH KOCHHAR	01052194	29/06/2022
3	HARSHA RAGHAVAN	01761512	29/06/2022
4	DEBASIS BIKASH NANDY	06368365	29/06/2022
5	PALLAVI DINODIA GUPTA	06566637	29/06/2022
6	MANISH GUPTA	06805265	16/07/2022

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mukesh Arora & Co.**
 Practicing Company Secretaries

Mukesh Arora
 Proprietor

Date: May 19, 2023
 Place: New Delhi

FCS No. 4819
 CP No. 4405
 UDIN NO: F004819E000286925

Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To
The Members,
Jagsonpal Pharmaceuticals Limited

We have examined the compliance of conditions of Corporate Governance by Jagsonpal Pharmaceuticals Limited for the year ended March 31, 2023, as stipulated in respective regulations 34 (3) and clause b to (i) of sub regulation (2) of Regulation 46 and para C, D and E of schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 (collectively referred to as "SEBI Listing Regulation 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance note on Certification of Corporate Governance, issued by the institute of Chartered Accountants of India was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For **Mukesh Arora & Co.**
 Practicing Company Secretaries

Mukesh Arora
 Proprietor

FCS No. 4819
 CP No. 4405
 UDIN NO: F004819E000354190

Date: May 19, 2023
 Place: New Delhi

Business Responsibility and Sustainability Report 2022-23

Section A: General Disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN)	L74899DL1978PLC009181
2	Name of company	Jagsonpal Pharmaceuticals Limited
3	Year of incorporation	1978
4	Registered office address	T-210 J, Shahpur Jat, New Delhi - 110049 (India)
5	Corporate office address	Plot No. 412-415, Nimai Tower, 3 rd Floor, Phase-IV, Udyog Vihar, Gurugram -122015, Haryana (India)
6	E-mail	info@jagsonpal.com
7	Telephone	+91 124 4406710
8	Website	www.jagsonpal.com
9	Financial year for which reporting is being done	FY2023
10	Name of the stock exchange(s) where shares are listed	Bombay Stock Exchange National Stock Exchange India Limited
11	Paid-up capital	₹130,990,000/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Abhishek Joshi Designation: Company Secretary & Compliance Officer Telephone no.: +91 124 4406710 Email ID: cs@jagsonpal.com
13	Reporting boundary	Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):
The company is engaged in the marketing, distribution of pharmaceutical formulations.
15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Pharmaceutical formulations	21004	96%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:
- Registered Office in New Delhi
 - Corporate Office in Gurugram, Haryana
 - Warehouse in Ghaziabad, Uttar Pradesh
17. Markets served by the entity
- | A. Locations | Number |
|-------------------|--------|
| National (States) | 29 |
| International | 2 |
- B. **Exports** – The Company exports Active Pharmaceutical Ingredient (API) to USA and South Korea. API business contributes 4% to the total turnover.
- C. **Customers** – The customers are important stakeholders in the business. The Company's customer base includes, Health Care Professionals and Government Institutions.

IV. Employees

18. Details as at the end of Financial Year

Particulars	Male	Male %	Female	Female %	Total Employees
Permanent Employees	925	98%	15	2%	940
Other than Permanent Employees	-	-	-	-	-
Differently Abled Employees	-	-	-	-	-
Workers	-	-	-	-	-
Total Employees	925	98%	15	2%	940

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (including MD)	6	2	33%
Key Managerial Personnel (CFO and CS)	2	0	0%

20. Turnover rate for permanent employees and workers

FY	Total Employees as on March, 31	Total Male Resignations	Total Female Resignations
2020-21	1,115	227	3
2021-22	1,060	375	8
2022-23	940	462	5

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/ associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
As on March 31, 2023, Company does not have any Subsidiary, Associate and Joint Venture Company.				

VI. CSR Details

- Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes
- Turnover (in Millions) - ₹2,367.14
- Net worth (in Millions) - ₹1,588.90

VII. Transparency and Disclosures Compliances

22. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY2023 Current Financial Year			FY2022 Previous Financial Year		
		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	-	-	-	No	-	-	No
Investors (other than shareholders)	info@jagsonpal.com	-	-	No	-	-	No
Shareholders	cs@jagsonpal.com	2	0	No	3	0	No
Employees and workers	info@jagsonpal.com	0	0	No	2	2	Both the cases are subjudice
Customers	customercare@jagsonpal.com . Consumers can raise a concern via post, email (customercare@jagsonpal.com) and reach out to us directly via telephone (+91- 124 406710). Also, the consumer can reach out to the Company through official communication channel available on our website www.jagsonpal.com	18	0	No	26	0	No
Value Chain Partners	info@jagsonpal.com	-	-	No	-	-	No

Note: All the complaints were related to the packaging of products only.



23. Overview of the entity's material responsible business conduct issues

The material issues are risks to the Company but at the same time, if acted upon proactively, could provide significant opportunities to the company over its competitors.

Some material issues identified are as follows –

Sr. No.	Material issues	Indicate whether risk or opportunity	Management approach	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Prevention of bribery and corruption	Risk	The Company is stringent towards the prevention of bribery and corruption. External and Internal Stakeholders are encouraged to highlight any malpractices in the company.	Negative
	Data protection and Cybersecurity	Risk	The Company has installed data protection system in its network including cloud backup facility. There exists 3-2-1 Data Protection and Recovery Plan; three copies of server data, two different types of media, and one air-gapped copy located offsite.	Negative
2.	Occupational Health and Safety	Risk	The Company believes that providing a safe and healthy work environment to its employees is critical for their overall well-being.	Negative
	Training and Development	Opportunity	Employees are prepared for in-house career development opportunities. Periodic leadership development initiatives goes a long-way towards learning and development of an individual.	Positive
3.	Supply Chain Management	Risk	The Company has a network of suppliers and channel partners which exposes the Company to disruption risk. During the on-boarding process, detailed background checks are undertaken to ensure mitigation of the risk.	Negative
4.	Product Quality and Patient Safety	Risk	The Company understands its responsibility to provide quality products. The Quality Assurance team proactively review complaints and work towards redressing them in an effective manner.	Negative

Section B: Management and Process Disclosures

The section aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements. The NGRBC, as prescribed by the Ministry of Corporate Affairs, advocates nine principles referred as P1-P9 as given below:

- Principle 1 (P1): Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.
- Principle 2 (P2): Businesses should provide goods and services in a manner that is sustainable and safe.
- Principle 3 (P3): Businesses should respect and promote the well-being of all employees, including those in their value chains.
- Principle 4 (P4): Businesses should respect the interests of and be responsive to all its stakeholders.
- Principle 5 (P5): Businesses should respect and promote human rights.
- Principle 6 (P6): Businesses should respect and make efforts to protect and restore the environment.
- Principle 7 (P7): Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- Principle 8 (P8): Businesses should promote inclusive growth and equitable development.
- Principle 9 (P9): Businesses should engage with and provide value to their consumers in a responsible manner.

1. Principle-wise Policies and Procedures

Principle	Particulars	Policies
P1	Ethics and Transparency	Whistle Blower Policy, Code of Conduct, Policy for Determination of Materiality of Events, Policy on Related Party Transactions, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Information Security Policy exist to ensure an ethical business environment that is devoid of corruption and guarantees transparency.
P2	Sustainable and Safe Product	The Company ensures optimum utilisation of resources and keeps sustainability in mind while performing day-to-day operations. The Company has a well-resourced Quality Management team and is committed to identifying and managing quality complaints to help safeguard its consumers.
P3	Well-being of Employees	The Company believes employees are its biggest assets and ensures fair evaluation including reward and recognition of performing employees.
P4	Responsive to Stakeholders	The Company through its policies addresses concerns and protects the interests of internal as well as external stakeholders.
P5	Respect for Human Rights	The Company promotes equal opportunities to individuals irrespective of any gender, influence and ensures compliance of the same through its Policy on Prevention of Sexual Harassment of Women at Workplace.
P6	Environment Protection	The Company makes regular efforts to adopt appropriate energy conservation measures by leveraging technology and digitisation, to reduce its carbon footprint as much as possible. The employees are also sensitised to prevent wasteful usage of natural resources.
P7	Public Policy Advocacy	The Company provides inputs to policies falling under the gambit of pharmaceuticals industry. However there exist no defined policy.
P8	Inclusive Growth	The Company's CSR policy covers activities focused on Education and Livelihood along with Health and Sanitation.
P9	Concern and Value for Customers	The Company has established an effective feedback loop mechanism with involvement of concerned stakeholders.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Ethics and Transparency	Sustainable and Safe Product	Well-being of Employees	Responsive to Stakeholders	Respect for Human Rights	Environment Protection	Public Policy Advocacy	Inclusive Growth	Concern and Value for Customers
1. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y
a. Has the policy been approved by the Board? (Yes/No)	Yes (as applicable)								
b. Web Link of the Policies, if available	https://www.jagsonpal.com/investor-relations								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes (as applicable)								
3. Do the enlisted policies extends to your value chain partners? (yes/no)	Yes (As Applicable)								
4. Name of the national and international codes/certifications/ labels/standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity with defined timelines, if any	All the contract manufacturing units, manufacturing drug products for Jagsonpal, comply with the national standards i.e. Schedule-M as per the Drugs and Cosmetics act 1940.								



5. Specific commitments, goals and targets set by the entity with defined timelines, if any	This is not applicable since the company doesn't operate any manufacturing facility thereby limiting the ability to set goals and targets for third parties.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Not applicable
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)	The company pays equal emphasis on the sustainable business growth and has therefore initiated structured CSR activities aligning with Jagsonpal's corporate strategy. The Company is focused on making a substantial impact in society by working on a defined set of activities with a commitment to women's welfare which is in line with the company's area of operation.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	<ul style="list-style-type: none"> Director Identification Number (DIN): 06805265 Name: Mr. Manish Gupta Designation: Managing Director
9. Does the entity has a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (yes/No) If yes, provide details.	<ul style="list-style-type: none"> Director Identification Number (DIN): 06805265 Name: Mr. Manish Gupta Designation: Managing Director

10. Details of review of NGRBCs by the company

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the board/any other committee (P1 to P9)	Frequency (Annually/Half-yearly/quarterly/any other-please specify) (P1 to P9)
Performance against above policies and follow up action	The necessary changes to policies and procedures are implemented accordingly. Any non-compliances are flagged for appropriate action.	Relevant policies are reviewed periodically
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The company has no cases of non-compliances reported during the last financial year.	The Company revises the set of statutory requirements relevant to the NGRBC principles as per the statutory compliance changes put forward by the market regulator.
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 reason to be stated.

Questions	P1 to P9
The entity does not consider the principles material to its business (Yes/No)	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

Section C: Principle-wise Performance Disclosure

This section is aimed at helping companies demonstrate their performance in integrating the Principles and Core Elements of the National Guidelines on Responsible Business Conduct (NGRBC).

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

The Code of Conduct is the guiding principle to conduct business ethically by abiding the values and expectations set forth within the Code.

The Company is a science-driven, patient-focused organisation which adheres to internal policies and is in compliance with applicable local laws, regulations, industry codes and requirements.

Essential Indicators

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

All employees received training on how to conduct themselves as per their roles and responsibilities, during the Induction Training, with 829 employees attending the Prevention of Sexual Harassment (POSH) training in FY2023

Segment	Total number of trainings and awareness programmes held and Topics / Principles covered under the trainings	% age of persons in respective category covered by the awareness programmes
Board of Director and Key Managerial Personnel	After appointment of directors, the Company provides a comprehensive board induction kit which captures company-specific information at a broad level. This is followed by management discussion. The Board of Directors sign off on a Code of Conduct annually.	100%
Employees other than BOD and KMPs	Employees undergo various training programmes including prevention of sexual harassment, ethical business practices, prohibition of insider trading etc.	88%
Workers	Not applicable (Since the Company is not operating any manufacturing plant)	-

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

	Monetary			Brief of the case	Has an appeal been preferred (yes/No)
	NGRBC Principle	Name of the regulatory enforcement agencies/ judicial institutions	Amount (in INR)		
Penalty/Fine	P1 – Ethics and Transparency	BSE and NSE	20,000	Delay in Prior Intimation to the Stock Exchange	No
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-
Non-Monetary					
Imprisonment	-	-	-	-	-
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.
The Company is committed to conducting business by abiding the highest ethical standards. All forms of bribery and corruption are prohibited. The Company conducts business in adherence to all statutory and regulatory requirements. To counter risk related to bribery and corruption, the Company has a Code of Conduct, Code of Practices and policies like Whistle Blower Policy. The said policies are available at <https://www.jagsonpal.com/investor-relation>.
5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.
There were no such instances in FY2023.
6. Details of complaints with regard to conflict of interest:
No complaints, with regard to conflict of interest, were received in FY2023.
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 conflict of interest.
Not applicable.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year
The Company collaborates with partners who resonate with the core values. In case of any deviation or non-compliance is observed in the operations of value chain partners, requisite corrective actions are taken.
2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board
The Company's approach to avoiding/managing conflict of interest, involving members of the Board, is embodied within the Code of Conduct. The Company assesses all its activities for potential conflicts and ensures that any actual, potential or perceivable conflicts are declared and resolved before the initiation of any task or project.

Further, the Board of Directors sign off on a Code of Conduct on an annual basis.

B. Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

The Company prioritises patient safety by ensuring the quality, safety, and reliable supply of the products. From sourcing raw materials to following a rigorous quality manufacturing standards, the Company maintains leading quality standards throughout the supply chain. The commitment towards patients and consumers drives to implement extensive controls for detecting, evaluating, and communicating benefits, risks, and potential safety concerns associated with the products. The procedures adhere to leading Good Manufacturing Practices (GMP) and other quality standards outlined.

Essential Indicators

1. Percentage of capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total capex investments made by the entity.
No such capital expenditure has been made in FY2023.
2.
 - a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
Yes, the Company sources the finished formulation from leading contract manufacturers who have implemented sustainable sourcing practices in-line with the global practices.
 - b. If Yes, what percentage of inputs were sourced sustainability?
Not applicable since the Company does not control sourcing of input materials for its contract manufacturer.
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.

The Company have the processes in place to safely dispose of all the damaged and hazardous waste through incineration.

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 Extended Producer Responsibility (EPR) is applicable to the entity's activities.

While the Extended Producer Responsibility (EPR) does not apply to the entity's activities, the Company is committed to environmentally sustainable waste management practices. In line with the guidelines set by the Central Pollution Control Board (CPCB), the Company ensures the proper disposal of all types of waste. These include expired and damaged goods, which are handed over to government-approved vendors for recycling or incineration, depending on the appropriate method. By adhering to these waste management processes, the Company prioritise responsible and eco-friendly practices in its operations.

Leadership Indicators

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

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the life cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (yes/No) If yes, provide the web-link
					Not applicable (since the Company has not operating manufacturing plant)

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.

Name of Product/Service	Description of the risk/concern	Action Taken
		Not applicable (since the Company has not operating manufacturing plant)

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

Indicate input material	Recycled or re-used input material to total material	
	FY2023 Current Financial Year	FY2022 Previous Financial Year
		Not applicable (since the Company has not operating manufacturing plant)

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

The Company has implemented a robust process for the return of expired and damaged products which are then disposed of through authorised waste management agencies, specifically through incineration. Certificates are obtained as part of the quality control measures to ensure there is no possibility of expired or damaged products re-entering the market. This stringent process mitigates the potential risks to consumer health that may arise from consuming expired or damaged products.

Quantum of expired goods and damaged goods sent for disposal:

FY2022: 2,055 Kg (2.055MT)

FY2023: 4,675 Kg (4.675 MT)

Since the Company is in the business of marketing of pharmaceuticals products, wherein usage of recycled goods can have negative impact on the health of individuals, the Company has very limited usage of recycled materials.

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	Not Applicable

C. 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

The Company has implemented a set of measures for the overall well-being of employees by extending policies such as health and life insurances, accident insurance and maternity benefits to all the employees. Details of which are mentioned below:

Category	Health Insurance		Life/Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities		Total (A)
	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	
Permanent Employees									In compliance with the provisions of the Maternity Benefit Act		
Male	925	100	925	100	-	-	925	100			925
Female	15	100	15	100	15	100	-	-			15
Total	940	100	940	100	15	100	925	100			940
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

(b) Details of measures for the well-being of workers:

Category	Health Insurance	Life/Accident Insurance	Maternity Benefits	Paternity Benefits	Day Care Facilities
Permanent Employees					
Other than Permanent Employees	Not Applicable (since the Company doesn't operate any manufacturing facility, limiting the role of workers in the existing set up of the company.)				

2. Details of retirement benefits, for Current FY2023 and Previous FY2022

Benefits	FY2022		FY2023	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	100	Y	100	Y
Employees' State Insurance	46	Y	62	Y
Gratuity	100	N	100	N

3. Accessibility of workplaces

While the Company does not currently have any differently-abled individuals in employment. However, its Corporate Office in Gurugram, Haryana is fully accessible to accommodate differently-abled employees. The Company has taken measures for a barrier-free environment, allowing for easy navigation and accessibility for individuals with different abilities. The commitment to inclusivity extends to creating a workspace that welcomes and supports diverse talents.

4. Equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016

The Company values diversity and treat all employees equally. The Company's aim is to create a workplace where all employees feel engaged, believe in teamwork and are proud of their contribution to the growth of the organisation.

The recruitment policies do not discriminate among potential candidates. The candidates are evaluated and selected on the basis of their competencies and requirements of the role for which their candidatures are being considered.

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 (%)	99	99	-	-
Female (%)	100	100	-	-
Total (%)	100	100	-	-

Note: Workers (Not applicable, since the Company is not into manufacturing unit)

6. Is there a mechanism available to receive and redress grievances for the employees and workers?

The Company has developed an open work environment, wherein any stakeholder/employee irrespective of hierarchy, has freedom to access the functional heads, human resource and identified key management personnels (KMP) to report genuine concerns.

In addition to that, a Whistle Blower Policy has been formulated on concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics. Anyone inside or outside the Company can raise concerns, confidentially and anonymously, without fear of retaliation and the same are addressed as per the guidelines mentioned in the company's Whistle blower policy.

The Company has zero tolerance for sexual harassment at the workplace and is in compliant with the provisions relating to the POSH Act (Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace), 2013. The Company has an Internal Complaints Committee for investigating POSH-related matters. The Company also conducted periodic awareness programmes which sensitise employees on such issues.

The Company addresses all such concern seriously and conduct formal investigations wherever required. If investigations show an employee has intentionally breached the company policies, necessary action is taken following the company's guidelines.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	-
Other than Permanent Workers	-
Permanent Employees	Yes
Other than Permanent Employees	Yes

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

The Company does not have any employee association(s) Hence, this parameter is not applicable.

8. Details of training given to employees and workers

The various trainings conducted by Learning and Development function, throughout the FY2023 include:

- Role/ Function-based specific training and Skill Upgradation training: 17 sessions were conducted which were attended by 601 participants including both existing and newly inducted employees. The key areas in which such training was conducted included Communication, Detailing and In-Clinic Performance skills, Managerial skills, Objection Handling and MS-Excel skills.
- 56 Induction programmes have been conducted for 359 newly inducted employees to cover job specific requirements.
- Sessions on POSH have been conducted which covered 829 employees.

In the FY2022:

- 37 Managerial Skill Development programmes have been conducted covering 387 participants
- 19 Induction programmes have been conducted for 207 newly inducted employees

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

The Company has a transparent system which is based on the Management by Objectives principle. The performance cycle for employees is from April to March. During the year, the employee receives continuous feedback on his/her areas of improvement from the Reporting Manager. The increase in remuneration is dependent on the overall performance of the Company and not only on the individual performance of the employee.

In the FY2022:

- Total employees eligible for performance review: 771
- Male employees reviewed: 759
- Female employees reviewed: 12

In the FY2023, Annual Performance Reviews are to be initiated. However, mid-year appraisals were introduced for sales personnel across India. 297 (Male - 294 & Female - 3) employees qualified for mid-year appraisals.


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, what is the coverage of such a system?

There are no direct occupational health and safety risks considering the nature of the business. However, the Company is committed to responsibly conducting its operations to protect its employees and the environment from any work-related hazards. The employee physical and mental well-being continue to be of top priority for the Company.

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

Regular checks are undertaken to identify the potential work related hazards and the Company undertakes initiatives to mitigate the impact of such risk towards its employees.

- c. Whether you have processes for employees to report the work-related hazards and to remove themselves from such risks?

Employees are encouraged to highlight potential safety risks.

- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

The company conducts full body health checkup for early diagnosis and overall well-being of the employees. All employees have sufficient health and life insurance as they are covered under Group Medclaim Insurance, EDLI. Term Life Insurance and Group Accidental Insurance policies. Additionally, employees are also given the option to cover their immediate dependents like spouses and children as well as parents under the Company's Group Medclaim Policies.

11. Details of safety-related incidents:

Safety Incident/Number	Category	FY2023 Current Financial Year	FY2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (Per one Million-person hours worked)	-	Nil	Nil
Total recordable work-related injuries	-	3 road accidents were recorded in FY2022-23 where employees, covered under Group Medclaim policy were provided with monetary support for their hospitalisation and post discharge health support.	Nil
No. of fatalities	-	Nil	Nil
High consequence works related injury or ill-health (excluding fatalities)	-	Nil	Nil

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

The Company always complies with directives issued by the concerned authorities and ensure a safe and hygienic work environment for its employees.

- a. In November 2022, the Company shifted to its new Corporate office in Gurugram which is well-equipped with all safety measures, ergonomically furnished and accessible to differently-abled people as well.
- b. Regular checks are conducted in the office premises to ensure the maintenance of safety standards along with periodic awareness activities, guidelines and advisories to employees on key risks on health and safety.

14. Number of complaints on the made by employees and workers.

- a. Working conditions
- b. Health and safety

No complaints have been filed, in the current year or the previous year, relating to working conditions, health and safety.

15. Assessments for the year

Health and safety practices	The Company has entered into preventive periodic maintenance contracts which include firefighting arrangements at the corporate office.
Working Conditions	The Company complies with all laws and regulations relating to fair working conditions and labour laws.

16. 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 and safety practices and working conditions.

This is not directly applicable given the nature of business. However, the Company took various measures, which are covered in response to above-mentioned points.

Leadership Indicators
1. Does the entity extend any life insurance or any compensatory package in the event of death?

The Company has the following policies for the life insurance of employees: EDLI Policy, Group Term Life Insurance Policy etc. which are settled on a priority basis in case of any mishappening.

2. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company believes in hiring right amount of human resource basis assessment of the candidate's competencies and requirements of the job. Thereafter, once the employee has joined, the learning and development function diligently works towards upskilling the workforce to align with the evolving business environments.

Hence, instances of termination due to job redundancies or due to employees not having the required skillset happen only in exceptional cases.

3. Details on assessment of value chain partners

All the value chain partners are subject to risk assessment on induction. The outcome of such assessment indicates the risks associated with dealing with such vendors on various parameters like environment, health and safety, confidentiality, crisis management, anti-bribery and anti-corruption guidelines etc. and the mitigation actions are mutually worked out. Further, background checks are conducted which help in early identification of any concern areas associated to deal with such vendors.

4. 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.

As part of the Company's on-boarding process for the contract manufacturers, various risks including health and safety and labour rights are assessed. The contract manufacturers are evaluated on their existing policies and procedures for dealing with issues relating to child labour, fair wages, sexual harassment and discrimination. It is ensured that the third-party contract manufacturing sites are in compliance with requisite working conditions and EHS guidelines.

In FY2022: No physical audits or assessments were carried out due to the COVID pandemic.

In FY2023: No cases of significant deviations from the desired safety practices and appropriate working conditions were found. In cases of minor deviation, our technical team worked with the stakeholders involved to implement the corrective action required.

D. Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Jagsonpal's continued focus on the quality of product delivery and attention towards expectations and concerns of its stakeholders has enabled us to earn their trust and respect. This has not only added value to its relationships with the stakeholders but has also brought success and sustenance to the business. Despite having multiple stakeholder groups, the engagement and feedback mechanisms help us to stay connected and abreast about their requirements.



Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has laid down certain set of guidelines and principles which all the stakeholders have to abide by. These requirements are focused around the ethics and integrity which are of paramount importance to the organisation. Such requirements are a precursor and has to be followed by all the stakeholders without any compromises irrespective of the importance, its concerned stakeholder hold for the organisation. The Company's continued focus on these two parameters has enabled us to earn stakeholder's trust and respect. This has not only added value to its relationships with the stakeholders but has also brought success and sustenance to the business.

2. List stakeholder groups identified as key for the entity

Stakeholder Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Patients and consumers	Face to face meetings, Webinars, Social media pages, Posters	Need based	Disease awareness programmes are organised to educate the general public including patients about the signs, symptoms and diagnosis, treatment and prevention options for a disease to foster better patient outcomes through prevention, early diagnosis and management to minimise or slow disease progression and complications.
Healthcare Professionals (HCPs)	Face to face meetings, Emails, Webinars, Social media pages, Posters, Doctor networking platforms, etc.	Daily	Keep the HCP abreast with the latest information on disease management. To provide avenues for HCPs to discuss and deliberate on latest data, clinical challenges and multidisciplinary expert discussions intending to help in improving treatment outcomes for the patients. Ensuring responsible sales and marketing practices, in compliance with local laws and applicable industry codes, while interacting with HCPs.
Investors and Shareholders	Annual General Meetings, Emails, Newspaper, Advertisement, Website, stock exchange intimation.	Quarterly	To stay abreast of developments in the Company, Performance of the Company and address concerns/grievances
Communities and NGOS	Emails, physical meetings, website and other digital platforms.	Need based	Implementing and monitoring the CSR activities
Government and Drug Regulators	Emails, Regulatory Agency communication.	Need based	Policy and Regulatory Matters, pricing of medicines and other regulatory approvals
Suppliers and Distributors	Emails, physical meetings	Daily	Quality of material, commercial and technical terms of payment and delivery
Employees	Email, town halls, team meetings.	Daily	Daily work related interactions.

Leadership Indicators

1. Provide the process for consultation between stakeholders and the board on economic, environment and social topics or if consultation is delegated, how is feedback from such consultation is provided to the board.

Refer to Q1 answer of essential indicators.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No).

Refer to Q1 answer of essential indicators.

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

The Company engages with marginalised communities through its CSR initiatives in 2 areas:

- Education and Livelihood
- Health and Sanitation

The CSR Committee of the company conducts impact assessments of its CSR initiatives. Through its ongoing projects, Company is focussing on the following areas:

- Promotion of Menstruation Hygiene
- Environmental Cleanliness

The Company is building toilets, in collaboration with Sulabh International Social Service Organisation, with emphasis around women schools and public place.

E. Principle 5: Businesses should respect and promote human rights

The Company is committed towards protection of human rights and condemns discrimination, harassment, unreasonable behaviour of any kind. The Company promotes a culture of fairness and believes in providing equal employment and growth opportunities to all persons thereby ensuring dignity of labour. The Company's policies like Prevention of Sexual Harassment, Whistle Blower Policy, Code of Conduct etc. are designed in a way so as to protect dignity and human rights of employees.

Essential Indicators

1 Employees and workers who have been provided training on human rights issues and policies of the entity.

Employees are given training on how to conduct themselves responsibly as Jagsonpal employees, in accordance with their roles and responsibilities, during the Induction Training itself. Besides periodic training on prevention of misconduct at workplace, employees are trained on prevention of sexual harassment as well to sensitise them towards gender diversity.

Category	FY2023 Current Financial Year			FY2022 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent Employees	940	829	88%	-	-	-
Other than Permanent Employees	-	-	-	-	-	-
Total	940	829	88%	-	-	-
Workers (Not applicable, since the Company is not into manufacturing unit)						
Permanent Workers	-	-	-	-	-	-
Other than Permanent Workers	-	-	-	-	-	-
Total	-	-	-	-	-	-

Note:

- Label A indicates the total no. of employees as on March 31st, 2023
- Label B indicates the no. of employees eligible to attend the posh training as per their joining date.

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

Category	FY2023 Current Financial Year					FY2022 Previous Financial Year				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		B	% (B/A)	C	% (C/A)		E	% (E/D)	F	% (F/D)
Permanent										
Male	925	-	-	925	100%	1046	-	-	940	90%
Female	15	-	-	15	100%	14	-	-	14	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers (Not applicable, since the Company is not into manufacturing unit)										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-


3. Details of remuneration/salary/Wages (In Millions)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (including MD)	4	10	2	0
Key Managerial Personnel (CFO and CS)	2	3.09	0	0
Employees other than BOD and KMP	922	0.32	15	0.47

4. Do you have a focal point (Individual/Committee) responsible for addressing human right impacts or issues caused or contributed to by the business? (Yes/No)

The General Manager, human resource is responsible for ensuring proper implementation of people related matters and addressing human rights issues caused by the business.

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

The Company's General Manager, Human Resource ensures that all employees and other relevant stakeholders, are able to voice concerns and report misconduct without inhibitions. The concerned committee, pertaining to policies and processes like POSH, Whistle Blower Policy, Code of Conduct etc. deals with matters of sexual harassment, unethical and inappropriate conduct. Utmost sensitivity and complete confidentiality is assured to those reporting such concerns.

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

No complaints relating to child labour, forced labour, wages, sexual harassment and discrimination at workplace have been reported in the last financial year.

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

The Company prohibits retaliation against anyone who has reported any harassment or misconduct and is duty-bound to take disciplinary action including dismissal, if felt necessary by concerned committee, of any employee who threatens or engages in retaliation or harassment of complainant. Internal Complaints Committee has been constituted, for sensitively investigating Prevention of Sexual Harassment related matters, under POSH Act (Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace), 2013.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

The Company collaborates with only those partners who resonate with our core values. Hence, while entering into business agreements and contracts with the third parties, their prior assessment is done regarding compliance on human rights matters like child labour, forced labour, non-discriminatory, safe and healthy workplace, minimum wages, working hours etc.

9. Assessments of the year

The Company internally assesses the systems and procedures to avoid non-compliances of any such matters.

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

Since there are no critically reported non-compliances, no corrective action has been required on account of internal assessments.

Leadership Indicators
1. 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 Company's Corporate office in Gurugram is accessible to differently abled people. The premises has elevators and infrastructure that facilitates movement of differently abled visitors/employees.

2. Details on assessment of value chain partners:

As part of the Company's on-boarding process, all third-party vendors, suppliers and contract manufacturers, are evaluated regarding compliance on human rights matters like child labour, forced labour, safe and healthy workplace etc. Upon satisfactory assessment of their policies and procedures on said matters, they are engaged subject to their assurance and commitment towards Jagsonpal's value system.

F. Principle 6: Businesses should respect and make efforts to protect and restore the environment

The Company is committed to reducing its carbon footprint by adopting appropriate energy conservation measures wherever possible. The employees are also sensitised to prevent wasteful usage of natural resources. The Company has minimised paper-based transactions by consistently investing in technology and building a robust digital environment in the organisation. The Company is managing its day-to-day business activities such as finance and accounting, sales and marketing management,

supply chain and human resource operations through an Enterprise Resource Planning (ERP) solution and the reporting and daily task management of sales personnel across India is also being managed electronically.

Further, as far as waste disposal is concerned, all kinds of waste including expired and damaged goods are disposed of in a control environment using incineration facilities.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:
114968 Units (kwh/kvah) has been the total electricity consumption at Corporate Office of Jagsonpal for the FY2023 and 103285 Units (kwh/kvah) has been the total electricity consumption at corporate office of Jagsonpal for the FY2022.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Scheme of the Government of India?

The Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water:

The Company understands that water is the key to our survival and is an indispensable resource. Since the Company is into marketing and distribution of pharmaceuticals and does not have its manufacturing units, the Company's usage of water is restricted to human consumption purposes only. Efforts have been made that water is consumed judiciously in the office premises. The Company focuses on using water in a sustainable manner so that the needs of the present are met while also keeping the needs of the future in consideration. This helps in the efficient use of water by avoiding unnecessary water wastage and usage.

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

Since the Company's usage of water is restricted to human consumption purposes only, the Company has not implemented a mechanism for zero liquid discharge.

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

Not applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Not applicable

7. Does the entity have any project related to reducing Greenhouse Gas emissions? If Yes, then provide details.

Not applicable.

8. Provide details related to waste management by the entity:

The Company products, nearing expiry dates or expired or damaged, are returned by the dealers/distributors to its Warehouse/ Clearing and Forwarding Agents and are categorised as waste.

The Company has adequate systems in place where such products are then sent for disposal via Authorised waste management agencies for incineration. Certificates are mandatorily obtained to ensure that there is neither risk of the expired/damaged products being returned back to the market nor there is any scope of these products getting discarded in an improper manner. This mitigates the risk of possible adverse impacts on consumer as well as environment health.

Quantum of expired goods and damaged goods sent for disposal:

FY2022: 2055 Kg (2.055MT)

FY2023: 4675 Kg (4.675 MT)

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.

Not applicable as the Company does not have any manufacturing unit.

The Company gets its product manufactured on a contract manufacturing basis. And the Quality Assurance department, does third party manufacturing plant audits at regular intervals and ensures that all the manufacturing units comply with the requirements of Central Pollution Control Board/State Pollution Control Board guidelines, and Hazardous and other waste (Management and Transboundary) Rules 2016.



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:
The Company does not have any offices in ecologically sensitive areas. Hence this parameter is not applicable.
11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:
As per the notification of the Ministry of Environment, Forests and Climate Change (MOEFCC) in India, an Environmental Impact Assessment (EIA) needs to be carried out for those industries which adversely affect environment. The Company does not require an EIA pre-clearance by the MOEFCC as it is into marketing and distribution of pharmaceuticals and does not have any operations which could have any adverse impact on the environment.
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, in the following format:
The Company complies with the requisite environmental law/regulations/guidelines in India and there are no non-compliances for FY2023.

Leadership Indicators

1. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
The Company does not have operations in ecologically sensitive areas. Hence, not applicable.
2. 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:
Since the Company is into marketing and distribution of pharmaceuticals and does not have its own manufacturing units, the Company's carbon footprint is limited to the use of consumables such as paper, plastic, water and energy.
3. Does the entity have a business continuity and disaster management plan?
The Company has devised an effective business continuity plan to deal in case of any exigencies.
4. 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?
Since the pharmaceutical industry is regulated with respect to impact on the environment, there are no significant adverse impacts to the environment.
5. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
All the contract manufacturers and suppliers are assessed at the time of on-boarding and then periodically for compliance of Good Manufacturing Practices.

G. 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.
The Company is not a member of any trade and industry associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.
As the Company is not a member of any trade and industry association. Hence, there is no list of top 10 trades and industry associations.
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
Neither any material instances have been reported nor any orders have been received from regulatory authorities on any issues related to anti-competitive conduct by the entity.

H. 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.
During the year under review, the company did not undertake any Social Impact Assessments of projects.
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (RandR) is being undertaken by your entity.
Since the Company's core activity include marketing of pharmaceuticals, none of the Company's operations have resulted into community displacement.
3. Describe the mechanisms to receive and redress the grievances of the community.
Not applicable.
4. Percentage of input material (inputs to total inputs by value) sourced from supplier.
Not applicable.

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):

Details of negative social impact identified	Corrective action taken
Nil	Nil

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:
Not applicable
3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)
No
- (b) From which marginalised /vulnerable groups do you procure?
No
- (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:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit Shared (Yes/No)	Basis of calculating benefit share
-	-	-	-	-

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.

Name of Authority	Brief of the case	Corrective action taken
-	-	-

6. Details of beneficiaries of CSR Projects:
Teenage girls in Punjab and NCR Residents



H. Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

The Company is working towards providing affordable healthcare solution to women. While working on innovative solutions for affordable and quality healthcare, the Company ensures strict compliance to Good Manufacturing Practices (GMP) by the partnered contract manufacturers. This assures that the products are manufactured by abiding the highest standards of quality.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has multiple mechanisms to receive and respond to consumer complaints and feedback. Consumers can submit their complaints/ feedback via email at info@jagsonpal.com; customercare@jagsonpal.com; Or call us at 0124-4406710 Or send us the written complaint at Jagsonpal Pharmaceuticals Limited, Plot No. 412-415, Nimai Tower, 3rd Floor, Phase-IV, Udyog Vihar, Gurugram -122015, Haryana (India)

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

Particulars	As a percentage to the total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	95%
Recycling and/or safe disposal	Not applicable - While the Company does not specifically mention any such details on its products, it complies with all statutory requirements of the Pollution Control Boards etc.

3. Consumer complaints in respect of Data Privacy, Advertising, Cyber-Security, Delivery of Essential Services, Restrictive and Unfair Trade Practices.

No consumer complaints relating to above mentioned were received during FY2023.

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

No product recalls relating to safety issues have been made during FY2023.

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.

The Company has installed data protection system in its network including cloud backup facility.

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.

All the complaints received during the FY22-23 were related to packaging of the products. As the Company's products are being manufactured by contract manufacturers, hence manufacturers take corrective actions to avoid repetition of complaints. The Company's CQA conducts plant audits to evaluate the QMS prevailing at the manufacturing sites and ensures that requisite corrective and preventive actions are executed.

Leadership Indicators

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

The information on the Company's products and services can be accessed at Company's website <https://www.jagsonpal.com/>.

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

- Sales representatives are equipped with Visual-aid for disseminating information to Healthcare Professionals (HCPs).
- The Company undertakes sessions on responsible usage of its medicines with Healthcare Professionals (HCPs) via webinars and conferences. HCPs are updated on science behind medicines during the CME/webinars.
- The dosage instructions for the prescriptive drugs, are directed by the physicians, based on examination of the patients. The product information is mentioned on the product packing which clearly contains directives of usage under guidance of a medical practitioner only.
- Product information leaflet used by medical representatives includes the generic name, composition, dosage form and strength, clinical particulars (e.g. therapeutic indication, method of administration), contraindications, special warnings and precautions on use and overdose etc.

3. 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.

The Company follows the regulations under the Drugs and Cosmetics Act and Rules with respect to product packaging. Anti-counterfeit features have also been incorporated on the packaging of some of the products including:

- QR code, numbers and hologram strips for verification of genuineness of products.
- Products contain prescribing information leaflets, for ready reference by the healthcare professional/consumer, as per the regulatory requirement.

4. Provide the following information relating to data breaches:

- Number of instances of data breaches along with impact.
- Percentage of data breaches involving personally identifiable information of customers.

No incidents were reported in FY2023 related to data breaches.

Independent Auditor's Report

To the Members of Jagsonpal Pharmaceuticals Limited

Report on the Audit of the Financial Statements

Opinion

- We have audited the accompanying financial statements of Jagsonpal Pharmaceuticals 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 Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 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), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Key audit matter	How our audit addressed the key audit matter
<p>Revenue from sale of products</p> <p>Refer Notes 2(d)(iv) and 22 to the financial statements for accounting policy and revenue related disclosures respectively.</p> <p>The Company recognises revenue from the sale of pharmaceutical products when control of such products is transferred to the customer and there are no longer any unfulfilled obligations.</p> <p>The Company has a large number of customers operating in various geographies throughout the country and the sales contracts/arrangements with such customers have distinct/varying commercial terms that determine actual point in time for recognition of revenue.</p> <p>Accordingly, significant management judgment is required in determining the timing of transfer of control for revenue recognition in accordance with Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'). Further, the contracts and arrangements also include clauses for rebates and discounts, which require management to apply significant judgement for determining transaction price under variable consideration principles enunciated under Ind AS 115.</p> <p>Further, the Company considers revenue as a key benchmark for evaluating performances and hence, there is risk of revenue being overstated due to pressure to achieve targets and earning expectations and therefore, in line with the requirements of the Standards on Auditing, revenue is determined to be an area involving significant risk which requires significant auditor attention.</p>	<p>Our audit procedures in relation to revenue from sale of products included, but were not limited to the following:</p> <ul style="list-style-type: none"> Obtained understanding of the revenue business processes of the Company; Assessed the appropriateness of revenue recognition policy of the Company and ensured that it is in line with Ind AS 115; Involved our IT specialists to evaluate design and test operating effectiveness of IT general controls and key automated controls of the Company's IT system which is used for revenue recognition; Evaluated the design and tested the operating effectiveness of key manual internal controls over revenue recognition; Performed substantive analytical procedures which includes margin analysis and period-on-period variance analysis, on revenue recognised during the year to identify any unusual indicators/trends; Performed test of details by selecting samples of revenue transactions pertaining to sale of products during the year, and verified the underlying supporting documents including contracts/agreements, sales invoices and dispatch documents; Performed cut-off testing procedures by testing samples of revenue transactions recorded before the year end and after the year end to ensure revenue from such transactions is recorded in the correct period;

Key audit matter	How our audit addressed the key audit matter
<p>Owing to the amounts involved, volume of sales transactions and distinct/varied terms of contracts with customers, revenue from sale of products is considered to be a key audit matter for current year's audit.</p>	<ul style="list-style-type: none"> Obtained management workings for amounts recognised towards rebates/discounts and returns during the year and as at year end. On a sample basis, tested the underlying calculations for amounts recorded as accruals and provisions towards the aforementioned obligations, as per the terms of related contracts and regulations, and traced the underlying data to source documents; and Evaluated the appropriateness and adequacy of the related presentation and disclosures in the financial statements.
<p>Restatement in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors</p> <p>The accounting policies for restatement of financial statements are set out in Note 44 to the financial statements.</p> <p>The Company has restated comparative financial statements for the year ended March 31, 2022 and opening balance sheet as at April 1, 2021 for correction of certain material prior period errors pertaining to fair valuations of certain investments, gross versus net adjustments related to revenue and cost, accounting for revaluation reserve, charging off certain assets to statement of profit and loss along with related tax impact and certain balance sheet reclassifications.</p> <p>Considering the quantum of amounts involved, the audit efforts required to audit such restatements in-depth and frequent interactions with the management, the restatement is identified as a key audit matter for the current year audit.</p> <p>Considering this matter is fundamental to the understanding of the user of financial statements, we draw attention to Note 44 of the financial statements, regarding the restatement of comparative financial information for correction of certain material prior period errors.</p>	<p>Our audit procedures in relation to audit of restatements adjustments, but were not limited to the following:</p> <ul style="list-style-type: none"> Obtained an understanding of the management process for identification of restatement adjustments; Evaluated the design and tested the operating effectiveness of internal controls relevant to the restatement adjustments; Understood from the management, the rationale (considering applicable accounting standards) for all the restatement adjustments as carried out in the financial statements, and critically reviewed whether there was indication of any management bias; Obtained the relevant contracts/agreements and other supporting documents to review management's revised assessment of the matters under the applicable accounting standards; and Ensured that all restatement adjustments have been dealt with and disclosed in the financial statements in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors as well as the respective accounting standards (including division II of Schedule III), as relevant.

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

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

- The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements



that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - o Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - o 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 with reference

to financial statements in place and the operating effectiveness of such controls;

- o Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - o Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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; and
 - o Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
 13. 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.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The financial statements of the Company for the year ended March 31, 2022 were audited by the predecessor auditor, H.L. Bansal & Co., who have expressed an unmodified opinion on those financial statements vide their audit report dated May 30, 2022.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and 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 financial statements of the Company as on March 31, 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
 - g) 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, as detailed in note 40 to the financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2023.;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023;
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 47(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 47(ii) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to

our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. As stated in note 36(b) to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended March 31, 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting

software which has a feature of audit trail, with effect from the financial year beginning on April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 23504662BGWGEX9851

Place: Gurgaon
Date: May 23, 2023

Annexure I referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Jagsonpal Pharmaceuticals Limited on the financial statements for the year ended March 31, 2023

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically 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 the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with the third parties, these have substantially been confirmed by the third parties.
- (b) The Company has not been sanctioned working capital limits in excess of ₹5 Crores by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly,
- reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:



Name of the statute	Nature of dues	Gross Amount (₹ in Million)	Amount paid under Protest (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	2.33	-	Assessment Year 2015-2016	Income tax department (CPC)
Income-tax Act, 1961	Income tax	0.74	-	Assessment Year 2016-2017	Income tax department (CPC)
The Maharashtra Value Added Tax Act, 2002	Value added tax	17.95	-	Financial Year 2014-2015	Deputy commissioner, Value Added Tax, Pune
The Maharashtra Value Added Tax Act, 2002	Value added tax	34.33	-	Financial Year 2015-2016	Deputy commissioner, Value Added Tax, Pune
The Maharashtra Value Added Tax Act, 2002	Value added tax	0.94	-	Financial Year 2016-2017	Deputy commissioner, Value Added Tax, Pune
West Bengal Value Added Tax Act, 2003	Value added tax	2.91	-	Financial Year 2008-2009	Joint Commissioner, Value Added Tax, Behala
West Bengal Value Added Tax Act, 2003	Value added tax	1.67	-	Financial Year 2009-2010	West Bengal Taxation Tribunal

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) The whistle blower complaints received by the Company during the year, as shared with us by the management have been considered by us while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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

(xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other

than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 23504662BGWGX9851

Place: Gurgaon
Date: May 23, 2023



Annexure II to the Independent Auditor's Report of even date to the members of Jagsonpal Pharmaceuticals Limited on the financial statements for the year ended March 31, 2023

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Jagsonpal Pharmaceuticals Limited ('the Company') as at and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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

were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 23504662BGWGX9851

Place: Gurgaon
Date: May 23, 2023

Balance Sheet

as at March 31, 2023

(All amounts in Indian Rupees Millions, unless stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
ASSETS				
Non-current assets				
Property, plant and equipment	3	183.50	225.73	235.47
Goodwill	4	-	0.30	0.30
Right of use assets	41	59.28	-	-
Financial assets				
(i) Investments	5A	11.21	288.55	211.14
(ii) Other financial assets	6	26.44	2.00	2.86
Income-tax assets (net)	7	3.12	10.67	5.70
Other non-current assets	8	20.32	24.19	6.39
Total non-current assets		303.87	551.44	461.86
Current assets				
Inventories	9	206.76	297.42	297.24
Financial assets				
(i) Investments	5B	-	218.10	32.51
(ii) Trade receivables	10	208.72	155.77	126.64
(iii) Cash and cash equivalents	11	110.53	225.26	589.43
(iv) Bank balances other than (iii) above	12	1,035.73	27.21	12.87
(v) Other financial assets	6	3.15	8.47	6.93
Other current assets	8	80.70	158.58	120.64
Total current assets		1,645.59	1,090.81	1,186.26
Total assets		1,949.46	1,642.25	1,648.12
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	130.99	130.99	130.99
Other equity	14	1,457.91	1,196.60	1,117.75
Total equity		1,588.90	1,327.59	1,248.74
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	15	52.47	-	-
Provisions	16	10.75	12.56	0.18
Deferred tax liabilities (net)	17	21.63	32.38	23.36
Total non-current liabilities		84.85	44.94	23.54
Current liabilities				
Financial liabilities				
(i) Borrowings		-	-	67.88
(ii) Lease liabilities	15	7.54	-	-
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	18	29.33	22.71	21.82
Total outstanding dues of creditors other than micro enterprises and small enterprises		134.30	162.79	185.03
(iv) Other financial liabilities	19	77.44	56.71	43.82
Other current liabilities	20	23.15	20.28	44.32
Provisions	16	3.76	4.90	8.47
Current tax liabilities (net)	21	0.19	2.33	4.50
Total current liabilities		275.71	269.72	375.84
Total liabilities		360.56	314.66	399.38
Total equity and liabilities		1,949.46	1,642.25	1,648.12

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

The accompanying notes including summary of significant accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Reg. No.: 001076N/N500013

 For and on behalf of the Board of Directors of **Jagsonpal Pharmaceuticals Limited**
Ashish Gupta

Partner

Membership No.: 504662

Manish Gupta

Managing Director

DIN 06805265

Harsha Raghavan

Chairman & Non-Executive Director

DIN 01761512

Place: Gurugram

Date: May 23, 2023

S V Subha Rao

Chief Financial Officer

Abhishek Joshi

Company Secretary

Jagsonpal Pharmaceuticals Limited

Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in Indian Rupees Millions, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	22	2,367.14	2,175.84
Other income	23	57.34	34.27
Total income		2,424.48	2,210.11
Expenses			
Cost of materials consumed	24	312.14	319.06
Purchases of stock-in-trade	25	575.88	514.44
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	43.02	56.11
Employee benefits expense	27A	564.15	576.75
Share based payment expense	27B	87.65	-
Finance costs	28	4.13	2.85
Depreciation, amortisation and impairment expense	29	12.05	15.26
Impairment losses on financial assets	30A	2.62	0.42
Other expenses	30B	440.17	458.80
Total expenses		2,041.81	1,943.69
Profit before exceptional items and tax		382.67	266.42
Exceptional items	46	34.59	-
Profit before tax		348.08	266.42
Tax expense:	31		
Current tax (including earlier years)		76.32	74.03
Deferred tax charge		4.55	3.84
Total tax expense		80.87	77.87
Profit for the year		267.21	188.55
Other comprehensive income (OCI)			
<i>Items that will not be reclassified to profit or loss</i>			
Loss on fair value of equity instruments		(88.08)	(3.50)
Remeasurement (loss)/gain on defined benefit obligations		(20.78)	19.16
Income-tax effect	31	15.31	(5.18)
Other comprehensive income for the year, net of tax		(93.55)	10.48
Total comprehensive income for the year		173.66	199.03
Earnings per equity share of ₹5 each			
Basic (₹)	48	10.20	7.20
Diluted (₹)		10.20	7.20

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

The accompanying notes including summary of significant accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Reg. No.: 001076N/N500013

 For and on behalf of the Board of Directors of **Jagsonpal Pharmaceuticals Limited**
Ashish Gupta

Partner

Membership No.: 504662

Manish Gupta

Managing Director

DIN 06805265

Harsha Raghavan

Chairman & Non-Executive Director

DIN 01761512

Place: Gurugram

Date: May 23, 2023

S V Subha Rao

Chief Financial Officer

Abhishek Joshi

Company Secretary

Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in Indian Rupees Millions, unless stated otherwise)

A. Equity share capital*

Balance as at April 01, 2021	130.99
Changes in equity share capital during the year	-
Balance as at March 31, 2022	130.99
Changes in equity share capital during the year	-
Balance as at March 31, 2023	130.99

B. Other equity**

	Other equity						Total other equity
	Reserve and surplus					Other comprehensive income	
	Securities premium	General reserve	Revaluation reserve	Share options outstanding account	Retained earnings		
Balance as at March 31, 2021	6.00	418.02	78.39	-	585.89	-	1,088.30
Impact of change on account of restatement [^]	-	-	(78.39)	-	25.87	81.97	29.45
Restated Balance as at April 1, 2021	6.00	418.02	-	-	611.76	81.97	1,117.75
Profit for the year	-	-	-	-	188.55	-	188.55
Other comprehensive income for the year, net of tax	-	-	-	-	13.58	(3.10)	10.48
Total comprehensive income for the year	-	-	-	-	202.13	(3.10)	199.03
Transaction with owners in their capacity as owners:							
Dividend	-	-	-	-	(104.79)	-	(104.79)
Others ^{^^}	-	-	-	-	(15.39)	-	(15.39)
Balance as at March 31, 2022	6.00	418.02	-	-	693.71	78.87	1,196.60
Profit for the year	-	-	-	-	267.21	-	267.21
Other comprehensive income for the year, net of tax	-	-	-	-	(15.55)	(78.00)	(93.55)
Total comprehensive income for the year	-	-	-	-	251.66	(78.00)	173.66
Transaction with owners in their capacity as owners:							
Share based payment expense	-	-	-	87.65	-	-	87.65
Balance as at March 31, 2023	6.00	418.02	-	87.65	945.37	0.87	1,457.91

*Refer note 13 for details.

**Refer note 14 for details.

^Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

^^Refer note 39 for details.

The accompanying notes including summary of significant accounting policies and other explanatory information form an integral part of the financial statements

 As per our report of even date attached
For Walker Chandio & Co LLP
 Chartered Accountants
 Firm Reg. No.: 001076N/N500013

 For and on behalf of the Board of Directors of **Jagsonpal Pharmaceuticals Limited**
Ashish Gupta
 Partner
 Membership No.: 504662

Manish Gupta
 Managing Director
 DIN 06805265

Harsha Raghavan
 Chairman & Non-Executive Director
 DIN 01761512

 Place: Gurugram
 Date: May 23, 2023

S V Subha Rao
 Chief Financial Officer

Abhishek Joshi
 Company Secretary

Jagsonpal Pharmaceuticals Limited

Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in Indian Rupees Millions, unless stated otherwise)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
A. Cash flows from operating activities		
Profit before tax	348.08	266.42
Adjustments:		
Depreciation, amortisation and impairment expense	12.05	15.26
Exceptional items (Refer note 46)	27.79	-
Interest income	(34.28)	(15.45)
Finance costs	4.13	2.85
Share based payment expense	87.65	-
Profit on sale of property, plant and equipment	(3.59)	(0.85)
Loss on fair valuation of financial assets	4.44	-
Profit on sale of current and non-current investments	(5.92)	(11.36)
Allowance for expected credit loss	2.62	0.42
Excess provisions written back	(2.42)	(4.87)
	92.47	(14.00)
Operating cash flows before working capital changes	440.55	252.42
Movement in working capital:		
Trade receivables	(55.56)	(29.55)
Other current assets and non-current assets	81.75	(55.74)
Inventories	90.66	(0.18)
Other current and non-current financial assets	(19.12)	(0.69)
Trade payables	(19.62)	(10.75)
Other current and non-current financial liabilities	23.60	(11.14)
Provisions	(2.95)	(6.50)
Cash flows from operating activities	539.31	137.87
Income tax paid (net of refund)	(72.76)	(68.73)
Net cash flows from operating activities	466.55	69.14
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(3.18)	(10.49)
Proceeds from sale of property, plant and equipment	12.96	5.81
Sale/(purchase) of non-current investments	196.87	(80.00)
Movement in current investments (net)	215.33	(174.23)
Movement in bank deposits (net)	(1,032.96)	(14.34)
Interest received	34.28	15.46
Net cash used in investing activities	(576.71)	(257.79)
C. Cash flows from financing activities (refer note 2)		
Finance costs paid	(1.35)	(2.85)
Payment of lease liabilities (including interest)	(3.22)	-
Dividend paid	-	(104.79)
Repayment of non-current borrowings	-	(67.88)
Net cash used in financing activities	(4.57)	(175.52)
Net decrease in cash and cash equivalents (A+B+C)	(114.73)	(364.17)
Add: cash and cash equivalents at the beginning of the year	225.26	589.43
Cash and cash equivalents at the end of the year (Refer note 11)	110.53	225.26

^Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

Notes:

- Statement of cash flow has been prepared basis the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"
- Refer note 41(e) and (f) for movement of liabilities arising from financing activities

The accompanying notes including summary of significant accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached

For Walker Chandio & Co LLP
 Chartered Accountants
 Firm Reg. No.: 001076N/N500013

 For and on behalf of the Board of Directors of **Jagsonpal Pharmaceuticals Limited**
Ashish Gupta
 Partner
 Membership No.: 504662

Manish Gupta
 Managing Director
 DIN 06805265

Harsha Raghavan
 Chairman & Non-Executive Director
 DIN 01761512

 Place: Gurugram
 Date: May 23, 2023

S V Subha Rao
 Chief Financial Officer

Abhishek Joshi
 Company Secretary

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

1. Background

Jagsonpal Pharmaceuticals Limited ('the Company') is engaged in the business of manufacturing and trading of pharmaceutical products and active pharmaceutical ingredients. The Company was incorporated under the provisions of Companies Act, 1956 and its shares are listed with the BSE Limited and National Stock Exchange of India Limited. The Company is domiciled in India and its registered office is situated at T-210J, Shahpur Jat, New Delhi – 110049.

2. Significant accounting policies

(a) General information and statement of compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, relevant other provisions of the Act and guidelines issued by Securities and Exchange Board of India (SEBI) to the extent applicable.

The financial statements for the year ended March 31, 2023 were authorised and approved for issue by the Board of Directors on May 23, 2023. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

(b) Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for share based payments and certain financial assets and financial liabilities and gratuity related plan assets which are measured at fair value.

(c) Recent accounting pronouncement

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary

users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information does not need to disclose. If it is disclosed, it should not obscure material accounting information. The Company is evaluating the requirement of the said amendment and its impact on these financial statements.

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an 'accounting estimate'. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques. The Company is evaluating the requirement of the said amendment and its impact on these financial statements.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023, has issued an amendment to Ind AS 12, which requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities. The Company is evaluating the requirement of the said amendment and its impact on these financial statements.

(d) Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Division II of Schedule III of the Act. Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

purpose of current/non-current classification of assets and liabilities.

(ii) Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs and disposal

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 de-recognised when replaced. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

An item of property, plant and equipment initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

Capital work-in-progress includes property, plant and equipment under construction and not ready for intended use as on the balance sheet date.

Subsequent measurement (depreciation and useful lives)

Freehold land is carried at historical cost. All other items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis,

computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Act.

Asset class	Useful life
Building	30 years
Plant and equipments	15 years
Office equipments	5 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	8 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

(iii) Inventories

Inventories are valued at lower of cost or net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Direct materials, direct labour and an appropriate proportion of variable and fixed production overheads, the later being allocated on the basis of normal operating capacity
Finished goods (traded)	Weighted average method
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs including taxes that are not refundable incurred in bringing the inventories to their present location and condition.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, ageing, usability etc., to the extent each of these factors impact the Company business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices



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of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(iv) Revenue recognition and other income Revenue from sale of products

Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of products by the customers as per the terms of the underlying contracts.

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period i.e., in the range of days of 30 to 90 days.

Revenues are measured based on the transaction price allocated to the performance obligation, which is the consideration, net of taxes or duties collected on behalf of the government and applicable discounts and allowances. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels and expected sell-through levels in supply chain. The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised products. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

A receivable is recognised by the Company when control of the products is transferred and the Company's right to an amount of

consideration under the contract with the customer is unconditional, as only the passage of time is required. When either party to a contract has performed, the Company presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment.

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales. Such export incentives are recorded as part of other operating revenue.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

(v) Borrowing cost

Borrowing cost includes interest expense as per effective interest rate (EIR). Borrowing costs 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 its intended use or sale. All other borrowing costs are expensed in the period they occur.

(vi) Leases

Company as a lessee – Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement of right of use assets

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement of right of use assets

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease liabilities

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these short-term leases are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognised on straight-line basis over the lease-term.

(vii) Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. For the purpose of

assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(viii) Foreign currency

Functional and presentation currency
Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.



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Notes to the Financial Statements for the year ended March 31, 2023

(ix) Financial instruments

Initial recognition and measurement

Financial assets (except trade receivable which is measured at transaction price) and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ('FVOCI').

Non-derivative financial assets

Subsequent measurement

Financial assets carried at amortised cost – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- o The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- o Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Investments in debt instruments and mutual funds – These are measured at fair value through profit and loss.

Investments in equity instruments – These are measured at fair value through other comprehensive income.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has

transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter-party.

(x) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit loss associated with its financial assets and the impairment methodology depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses basis provision matrix approach. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss

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allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

(xi) Taxes

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

The current income-tax charge is calculated on the basis of the tax laws enacted at the balance sheet date. 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.

Deferred tax is provided in full, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively 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 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 tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current

tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(xii) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with the banks, other short-term highly liquid investments with original maturity of three months and less.

(xiii) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, incentives etc. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined contribution plan

Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution plan as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. In addition, contributions are made to employees' state insurance schemes, which are also defined contribution plans recognised and administered by the Government of India. The Company's contributions to these schemes are expensed in the statement of profit and loss.

Defined benefit plan

The Company has funded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. This is based on standard rates of inflation, salary growth rate and mortality. The gratuity liability of the Company is funded with Life Insurance Corporation of India and fair value of plan assets is determined accordingly.

Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating



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Notes to the Financial Statements for the year ended March 31, 2023

the terms of the related liability. Service cost and net interest expense (calculated on net balance defined benefit obligations and fair value of plan assets) on the Company's defined benefit plan is included in employee benefits expense. Actuarial gains/losses resulting from re-measurements of the defined benefit obligation are included in other comprehensive income.

Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees (as per policy) which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Service cost and interest expense on the Company's other long-term employee benefits plan is included in employee benefits expense. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are also recorded in the statement of profit and loss in the year in which such gains or losses arise.

(xiv) Share based payment expense

The fair value of options granted under Jagsonpal Pharmaceuticals Limited Employees Stock Option Plan 2022 ('JPL ESOP 2022') is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted on the basis of an option-pricing model. Total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(xv) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed unless the likelihood of an outflow of resources is remote and there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognised only when realisation of income is virtually certain.

(xvi) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events including a share split or a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xvii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Millions as per the requirement of Division II of Schedule III, unless otherwise stated.

(xviii) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

a) **Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognised is based on an assessment of

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Notes to the Financial Statements for the year ended March 31, 2023

the probability of the future taxable income (supported by reliable evidence) against which the deferred tax assets can be utilised.

- b) **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- c) **Contingent liabilities** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- d) **Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.
- e) **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- f) **Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and

economic obsolescence that may change the utilisation of assets.

- g) **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 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 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 Company revises the lease term if there is a change in the non-cancellable period of a lease.
- h) **Fair value measurements** – Management applies valuation techniques to determine fair value of equity instruments (where active market quotes are not available) and stock options. This involves developing estimates and assumptions around discount rate, volatility, dividend yield which may affect the value of equity instruments or stock options.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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

(All amounts in Indian Rupees Millions, unless stated otherwise)

3. Property, plant and equipment

	Freehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Computer	Vehicles	Total
Gross carrying amount as at April 1, 2021	87.59	160.87	124.64	162.40	7.47	4.32	30.16	577.45
Additions	-	2.93	0.21	0.79	1.99	2.59	-	8.51
Disposals/Adjustments	-	-	4.93	-	-	0.03	-	4.96
Gross carrying amount as at March 31, 2022	87.59	163.80	119.92	163.19	9.46	6.88	30.16	581.00
Additions	-	-	-	0.36	-	2.82	-	3.18
Disposals/Adjustments	-	-	119.92	162.19	9.46	1.68	21.52	314.77
Gross carrying amount as at March 31, 2023	87.59	163.80	-	1.36	-	8.02	8.64	269.41
Accumulated depreciation as at April 01, 2021	-	67.95	112.83	138.46	5.77	1.37	17.60	343.98
Depreciation for the year	-	5.16	2.76	3.58	0.31	1.55	1.90	15.26
Disposals	-	-	3.96	-	-	0.01	-	3.97
Accumulated depreciation as at March 31, 2022	-	73.11	111.63	142.04	6.08	2.91	19.50	355.27
Depreciation for the year	-	5.19	-	0.08	-	1.96	1.03	8.26
Impairment charge for the year (2)	-	-	5.82	16.65	0.98	0.80	3.54	27.79
Disposals	-	-	105.81	125.31	5.10	0.12	13.49	249.83
Accumulated depreciation as at March 31, 2023	-	78.30	-	0.16	-	3.95	3.50	85.91
Net carrying amount as at March 31, 2023	87.59	85.50	-	1.20	-	4.07	5.14	183.50
Net carrying amount as at March 31, 2022 (3)	87.59	90.69	8.29	21.15	3.38	3.97	10.66	225.73

Notes:

- The title deeds of all the immovable properties are held in the name of Company.
- The impairment charge for the year ₹27.79 Million (March 31, 2022: Nil) includes impairment charge on certain assets that has been assessed as non-usable by the management.
- Refer note 44 for details.

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Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

4. Goodwill

	Goodwill	Total
Gross carrying amount as at April 1, 2021	0.30	0.30
Additions	-	-
Disposals	-	-
Gross carrying amount as at March 31, 2022	0.30	0.30
Additions	-	-
Disposals	-	-
Gross carrying amount as at March 31, 2023	0.30	0.30
Accumulated amortisation as at April 01, 2021	-	-
Amortisation for the year	-	-
Disposals	-	-
Accumulated amortisation as at March 31, 2022	-	-
Impairment charge for the year*	0.30	0.30
Disposals	-	-
Accumulated amortisation as at March 31, 2023	0.30	0.30
Net carrying amount as at March 31, 2023	-	-
Net carrying amount as at March 31, 2022 (1)	0.30	0.30

*Goodwill has been impaired during the year

Note:

- Refer note 44 for details.

5. Investments

	As at March 31, 2023	As at March 31, 2022*
A. Non-current investments		
a) Investments in equity instruments (measured at fair value through other comprehensive Income)\$		
Quoted		
1,043 (March 31, 2022: 1,043) equity shares of Sun Pharmaceuticals Limited (face value of ₹1 each)^	1.03	0.95
Unquoted		
Nil (March 31, 2022: 20,349) equity shares of Naari Pharma Private Limited (face value of ₹10 each)	-	188.54
b) Investments in 10.5% bonds (measured at amortised cost)		
10 (March 31, 2022: 10) Perpetual bond of IndusInd Bank Limited	10.18	10.18
c) Investments in mutual funds (measured at fair value through profit and loss)		
Tata Healthcare Fund	-	12.14
d) Investments in 0.0001% optionally convertible redeemable preference shares ('OCRPS') (measured at fair value through profit and loss)		
Nil (March 31, 2022: 7,260) OCRPS of Naari Pharma Private Limited (face value of ₹100 each)	-	75.74
e) Investments in 0.01% compulsory convertible cumulative preference share ('CCPS') (measured at fair value through profit and loss)		
Nil (March 31, 2022: 6,667) CCPS of ADTHERA Consumers Brands Private Limited (face value of ₹10 each)	-	1.00
Total non-current investments	11.21	288.55
Aggregate amount of quoted investments	1.03	0.95
Aggregate amount of unquoted investments	10.18	287.60
Aggregate amount of impairment in value of investments	-	-

\$These investments are strategic in nature and hence, designated as fair value through other comprehensive income.

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

^The Company has received dividend of ₹0.003 Million during the year.



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Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

	As at March 31, 2023	As at March 31, 2022*
B. Current Investment		
Quoted		
Nil (March 31, 2022: 262,830) HDFC Index Fund - Nifty 50 Plan - Direct	-	43.03
Nil (March 31, 2022: 1,760,970) Motilal Oswal Nifty Midcap 150 Index Fund - Direct Growth	-	34.88
Nil (March 31, 2022: 2,800,029) Nippon India Nifty 50 Value 20 Index Fund - Direct Growth	-	35.68
Nil (March 31, 2022: 844,024) Motilal Oswal Nasdaq 100 Fund of Fund - Direct Growth	-	19.74
Nil (March 31, 2022: 1,342,568) Motilal Oswal S&P 500 Index Fund(MOFSP500) - Direct Growth	-	21.23
Nil (March 31, 2022: 9,548) HDFC Overnight Fund - Direct Growth	-	30.15
Nil (March 31, 2022: 73,620) Investment In True Beacon 09Dec2020 Class A True Beacon 62	-	10.96
Nil (March 31, 2022: 72,013) Investment In True Beacon 28Dec2020 Class A True Beacon 62	-	10.76
Nil (March 31, 2022: 79,728) Investment In True Beacon 30Sep2020 Class A True Beacon 62	-	11.67
	-	218.10
Aggregate amount of quoted investments	-	218.10

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

6. Other financial assets

(Unsecured, considered good, unless stated otherwise)

	As at March 31, 2023		As at March 31, 2022*	
	Non-Current	Current	Non-Current	Current
Bank deposits with maturity after 12 months from the reporting date	22.63	-	2.00	-
Security deposits	3.81	2.30	-	5.03
Others	-	0.85	-	3.44
Total other financial assets	26.44	3.15	2.00	8.47

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

7. Income-tax assets (net)

	As at March 31, 2023	As at March 31, 2022*
Income-tax assets (net)	3.12	10.67
Total income-tax assets (net)	3.12	10.67

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

8. Other assets

(Unsecured, considered good, unless stated otherwise)

	As at March 31, 2023		As at March 31, 2022*	
	Non-Current	Current	Non-Current	Current
Gratuity fund (refer note 33)	20.32	-	24.19	-
Capital advances	-	-	-	0.05
Advance to vendors	-	29.60	-	76.29
Prepaid expenses	-	10.68	-	10.62
Balances with government authorities	-	28.06	-	61.50
Advance to employees	-	12.36	-	10.12
Total other assets	20.32	80.70	24.19	158.58

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

9. Inventories

	As at March 31, 2023	As at March 31, 2022
Raw materials*	78.07	125.59
Work-in-progress	10.81	27.02
Finished goods (inclusive of stock-in-trade of ₹70.70 Million (March 31, 2022: ₹54.24 Million))*	117.88	144.69
Stores and spares	-	0.12
Total inventories	206.76	297.42
*Goods-in-transit included in the above		
Raw materials	5.43	-
Finished goods	- [^]	0.19
Total goods in transit	5.43	0.19
Total write down of inventories recognised during the year	3.66	6.41

^Rounded off to nil.

10. Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade receivables - considered good, unsecured*	208.72	155.77
Trade receivables - credit impaired	6.00	4.77
	214.72	160.54
Less: Allowance for expected credit loss		
Trade receivables - credit impaired	(6.00)	(4.77)
Total trade receivables	208.72	155.77

*inter-alia, includes ₹0.77 Million (March 31, 2022: Nil) receivables from related parties (Refer note 37).

Trade Receivables ageing schedule:

Ageing Schedule for trade receivables outstanding as at March 31, 2023:

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 6 Months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable						
- Considered good	201.62	7.10	-	-	-	208.72
- Credit impaired	-	1.73	1.28	0.37	0.85	4.23
(ii) Disputed trade receivable						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	-	0.31	0.02	1.44	1.77
Total	201.62	8.83	1.59	0.39	2.29	214.72

Ageing schedule for trade receivables outstanding as at March 31, 2022:

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 6 Months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable						
- Considered good	153.64	2.05	0.08	-	-	155.77
- Credit impaired	-	0.02	0.34	2.67	-	3.03
(ii) Disputed trade receivable						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	0.27	-	1.47	-	1.74
Total	153.64	2.34	0.42	4.14	-	160.54



Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

11. Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022*
Balance with banks in current accounts	109.99	223.39
Cash in hand	0.54	1.87
Total cash and cash equivalents	110.53	225.26

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

12. Bank balances other than cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022*
Bank deposits with original maturity of more than three months and up to twelve months	1,035.73	27.21
Total bank balances other than cash and cash equivalents	1,035.73	27.21

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

13. Equity share capital

	As at March 31, 2023	As at March 31, 2022
Authorised		
30,000,000 (March 31, 2022 : 30,000,000) equity shares of ₹5 each with voting rights	150.00	150.00
20,000,000 (March 31, 2022 : 20,000,000) equity shares of ₹5 each with differential voting rights	100.00	100.00
	250.00	250.00
Issued and subscribed		
26,198,000 (March 31, 2022 : 26,198,000) equity shares of ₹5 each with voting rights	130.99	130.99
	130.99	130.99
Paid up capital		
26,198,000 (March 31, 2022 : 26,198,000) equity shares of ₹5 each with voting rights	130.99	130.99
	130.99	130.99

(a) Movement in equity share capital:

	As at March 31, 2023		As at March 31, 2022	
	Number	₹ in Millions	Number	₹ in Millions
At the commencement of the year	26,198,000	26.20	26,198,000	26.20

b) Terms/rights attached to equity shares

The Company has issued equity shares with voting rights having par value of INR 5 per share and having entitlement to vote accordingly. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% equity shares in the Company

Equity shares of ₹5 each fully paid up held by	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of total shares	Number of shares	% of total shares
Aresko Progressive Private Limited	5,334,254	20.36	1,67,89,754	64.08
Infinity Holdings	6,613,020	25.24	-	-
Infinity Holdings Sidecar I	4,755,300	18.15	-	-

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

d) Disclosure of shareholding of promoters (as per the Act) is as follows:

Promoter's name	As at March 31, 2023			As at March 31, 2022		
	Number of shares	% of total shares	% change during the year ended March 31, 2023	Number of shares	% of total shares	% change during the year ended March 31, 2022
Rajpal Singh Kochhar	1,212,160	4.62	-	1,212,160	4.62	-
Aresko Progressive Private Limited	5,334,254	20.36	(43.72)	16,789,754	64.08	-
Infinity Holdings	6,613,020	25.24	25.24	-	-	-
Infinity Holdings Sidecar I	4,755,300	18.15	18.15	-	-	-
Infinity Consumer Holdings	87,180	0.33	0.33	-	-	-

e) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date

The Company did not issue any shares pursuant to contract(s) without payment being received in cash.

The Company did not issue bonus shares for the period of 5 years immediately preceding the balance sheet date.

The Company has not undertaken any buy back of shares.

14. Other equity

	As at March 31, 2023	As at March 31, 2022*
Securities premium	6.00	6.00
General reserve	418.02	418.02
Share options outstanding account	87.65	-
Retained earnings	945.37	693.71
Equity instrument through other comprehensive income	0.87	78.87
Total other equity	1,457.91	1,196.60

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

Nature and purpose of other equity

Securities premium

The unutilised accumulated balance represents excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

General reserve

This represents appropriation of profit and is available for distribution of dividend.

Share options outstanding account

This account used to recognise the grant date fair value of options issued to eligible employees pursuant to the Company's employee stock option plan.

Retained earnings

Retained earnings comprises of current year and prior periods undistributed earning or losses after tax.

Equity instrument through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instrument measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are de-recognised/disposed off.



Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

15. Lease Liabilities

	As at March 31, 2023		As at March 31, 2022	
	Non-Current	Current	Non-Current	Current
Lease liabilities (Refer note 41)	52.47	7.54	-	-
Total lease liabilities	52.47	7.54	-	-

16. Provisions

	As at March 31, 2023		As at March 31, 2022	
	Non-Current	Current	Non-Current	Current
Provision for leave encashment (Refer note 33)	10.75	3.76	12.56	4.90
Total provisions	10.75	3.76	12.56	4.90

17. Deferred tax liabilities (net)

	As at March 31, 2023	As at March 31, 2022*
Deferred tax liabilities arising on account of:		
Employee benefits	1.46	1.96
Property, plant and equipment and intangible assets	20.47	28.87
Equity instruments	0.11	10.19
	22.04	41.02
Deferred tax assets arising on account of:		
Right of use assets and lease liabilities	0.18	-
Minimum Alternate Tax (MAT) credit entitlement	-	6.36
Others	0.23	2.28
	0.41	8.64
Deferred tax liabilities (net)	21.63	32.38

Particulars	As at April 01, 2022*	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2023
Liabilities				
Employee benefits	1.96	4.73	(5.23)	1.46
Property, plant and equipment and intangible assets	28.87	(8.40)	-	20.47
Financial instruments	10.19	-	(10.08)	0.11
Assets				
Right of use assets and lease liabilities	-	(0.18)	-	(0.18)
Minimum alternate tax ("MAT") credit entitlement	(6.36)	6.36	-	-
Others	(2.28)	2.05	-	(0.23)
Total	32.38	4.56	(15.31)	21.63

Particulars	As at April 01, 2021*	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2022*
Liabilities				
Employee benefits	2.52	(6.14)	5.58	1.96
Property, plant and equipment and intangible assets	30.07	(1.20)	-	28.87
Financial instruments	10.59	-	(0.40)	10.19
Assets				
Minimum alternate tax ("MAT") credit entitlement	(6.36)	-	-	(6.36)
Others	(13.46)	11.18	-	(2.28)
Total	23.36	3.84	5.18	32.38

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

18. Trade payables

	As at March 31, 2023	As at March 31, 2022*
Current		
Total outstanding dues of micro enterprises and small enterprises	29.33	22.71
Total outstanding dues of creditors other than micro enterprises and small enterprises [^]	134.30	162.79
Total trade payables	163.63	185.50

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

[^]inter-alia, includes ₹10.81 Million (March 31, 2022: 5.00 Million) payables from related parties (Refer note 37)

Trade payables ageing schedule:

Ageing schedule for trade payables outstanding as at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	29.33	-	-	-	29.33
Others	97.44	0.27	0.45	3.76	101.92
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	126.77	0.27	0.45	3.76	131.25
Provision for expenses					32.38
Total trade payables					163.63

Ageing Schedule for trade payables outstanding as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	22.71	-	-	-	22.71
Others	135.14	0.23	0.14	4.64	140.15
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	157.85	0.23	0.14	4.64	162.86
Provision for expenses					22.64
Total trade payables					185.50

* MSME as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

19. Other financial liabilities

	As at March 31, 2023	As at March 31, 2022*
Security deposits received	5.80	1.80
Employee benefits payable	71.64	54.91
Total other financial liabilities	77.44	56.71

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.



Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

20. Other current liabilities

	As at March 31, 2023	As at March 31, 2022*
Statutory dues payable	13.46	20.05
Contract liabilities	6.12	-
Other liabilities	3.57	0.23
Total other current liabilities	23.15	20.28

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

21. Current tax liabilities (net)

	As at March 31, 2023	As at March 31, 2022*
Current tax liabilities (net of advance tax amounting to ₹76.13 Million (March 31, 2022: ₹71.71 Million))	0.19	2.33
Total current tax liabilities (net)	0.19	2.33

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

22. Revenue from operations

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Sale of products	2,367.14	2,175.84
Total revenue from operations	2,367.14	2,175.84

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

22.1 Disaggregated revenue information

In the following table, revenue from sale of product and services is disaggregated by primary geographical market and major product lines.

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Primary geographical markets		
India	2,311.86	2,121.58
Rest of the world	55.28	54.26
Total	2,367.14	2,175.84
Major product lines		
Formulation	2,269.90	2,094.76
Active Pharmaceutical Ingredients (API)	97.24	81.08
Total	2,367.14	2,175.84

22.2 Contract balances

	As at March 31, 2023	As at March 31, 2022
Trade receivables	208.72	155.77
Contract liabilities (Advance from customers)	6.12	-

22.3 Reconciliation of revenue recognised with the contract price is as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Contracted price	2,571.62	2,424.67
Less: Discount, rebates and sales returns	(204.48)	(248.83)
Revenue recognised	2,367.14	2,175.84

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

23. Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Interest income on bank deposits	33.94	15.46
Interest income on refund of income-tax	0.34	-
Profit on sale of current and non-current investments	5.92	11.35
Excess provisions written back	2.42	4.87
Scrap sales	6.67	-
Profit on sale of property, plant and equipment	3.59	0.85
Miscellaneous income	4.46	1.74
Total other income	57.34	34.27

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

24. Cost materials consumed

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Raw materials consumed	312.14	319.06
Total cost of materials consumed	312.14	319.06

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

25. Purchase of stock-in-trade

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Purchases of stock-in-trade	575.88	514.44
Total purchase of stock-in-trade	575.88	514.44

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

26. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Opening balances		
Work-in-progress	27.02	124.69
Finished goods	144.69	103.13
Total opening balance	171.71	227.82
Closing balances		
Work-in-progress	10.81	27.02
Finished goods	117.88	144.69
Total closing balance	128.69	171.71
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	43.02	56.11

27. Employee benefit expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	537.27	535.71
Contribution to provident and other funds	25.05	35.63
Staff welfare expenses	1.83	5.41
Total employee benefit expense	564.15	576.75

27B. Share based payment expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Share based payment expense	87.65	-
Total share based payment expense	87.65	-



Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

28. Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on borrowings	-	2.61
Interest on lease liabilities	2.78	-
Other borrowing costs	1.35	0.24
Total finance costs	4.13	2.85

29. Depreciation, amortisation and impairment expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	8.26	15.26
Depreciation on right-of-use assets	3.49	-
Impairment of goodwill	0.30	-
Total depreciation, amortisation and impairment expense	12.05	15.26

30A. Impairment losses on financial assets

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Allowance for expected credit loss	2.62	0.42
Total impairment losses on financial assets	2.62	0.42

30B. Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Power and fuel	2.88	4.69
Consumption of stores and spares	0.80	1.77
Material handling costs	0.88	1.44
Rent	18.31	24.77
Rates and taxes	5.92	8.48
Insurance	10.40	7.62
Repairs and maintenance	3.52	7.30
Corporate social responsibility expenditure (Refer note 42)	5.45	1.14
Travelling and conveyance	140.36	148.01
Communication costs	4.93	6.92
Printing and stationery	0.70	1.73
Legal and professional charges	40.41	86.17
Advertising and business promotion	154.65	102.19
Freight and forwarding charges	31.43	36.60
Payment to auditor (Refer note (a) below)	1.90	1.02
Loss on fair valuation of financial assets	4.44	5.16
Miscellaneous expenses	13.19	13.79
Total of other expenses	440.17	458.80

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

(a) Details of payment to statutory auditors (excluding applicable taxes and including out of pocket expenses)

	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor:		
Statutory audit and limited review fee	1.80	0.30
For certification and other services	-	0.42
Out of pocket expenses	0.10	0.30
Total payment to statutory auditors	1.90	1.02

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Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

31. Income tax

31.1 The major components of income tax expense are:

	For the year ended March 31, 2023	For the year ended March 31, 2022*
Statement of profit and loss		
Current tax:		
Income tax charge for the year	81.44	74.03
Income tax charge for earlier years	(5.12)	-
	76.32	74.03
Deferred tax:		
Deferred tax charge for the year	4.55	3.84
	4.55	3.84
Income tax expense reported in the statement of profit and loss	80.87	77.87
Other comprehensive income		
Deferred tax:		
Tax related to items that will not be reclassified to profit or loss	15.31	(5.18)
Income tax benefit/(expenses)	15.31	(5.18)

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Refer note 44 for details.

31.2 Reconciliation between average effective tax rate and applicable tax rate for the year:

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Profit before tax	348.08	266.42
At India's statutory income tax rate of 25.168% (March 31, 2022: 29.12%)	87.61	77.58
- Effect of non-deductible expenses	(2.37)	4.06
- Effect of MAT credit reversal	6.36	-
- Effect of lower tax rate on temporary difference	-	5.23
- Effect of earlier year taxes	(5.12)	-
- Others	(5.61)	(9.00)
Income tax expense reported in the statement of profit and loss	80.87	77.87

32. Micro, small and medium enterprises

	As at March 31, 2023	As at March 31, 2022
The principal amount remaining unpaid to any supplier as at the end of the year	29.33	22.71
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.



Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

33. Employee benefits

(A) Defined contribution plans

The Company has certain defined contribution plans such as provident fund, employee state insurance and labour welfare fund, where in specified percentage is contributed to these plans. During the year, the Company has contributed following amounts to:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to provident fund and other funds	19.94	24.48
Employer's contribution to employee state insurance	2.66	3.89
	22.60	28.37

(B) Defined benefit plans

(I) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.36% p.a. (March 31, 2022: 6.85% p.a.) which is determined by reference to market yield on government bonds at the Balance Sheet date.

The retirement age has been considered at 58 years (March 31, 2022: 58 years) and mortality table is as per IALM (2012-14) (March 31, 2022: IALM (2012-14)). Expected average remaining working lives of employees are 6.13 years (March 31, 2022: 7.75 years). The withdrawal rate considered in actuarial valuation is 15% (March 31, 2022: 10%)

The estimates of future salary increases, considered in actuarial valuation is 7% p.a. (March 31, 2022: 7% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for all the employees of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return on plan assets is 6.85% p.a. (March 31, 2022: 5.60% p.a.).

(C) Risk exposures:

These plans typically expose the Company to the following actuarial risks:

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plans liability.

Interest rate risk: A fall in the discount rate, which is linked, to the government bond rate will increase the present value of the Liability requiring higher provision.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on governments bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the the year	65.00	86.90
Current service cost	4.89	6.78
Interest cost	3.67	4.86
Actuarial loss/(gain)	20.08	(18.33)
Benefits paid	(43.75)	(15.21)
Balance at the end of the year	49.89	65.00

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

Fair value of plan assets*

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	89.20	78.25
Return of plan assets	6.11	4.38
Contribution by employers	-	5.81
Benefit paid	(24.41)	(0.08)
Actuarial (gain)/loss	(0.69)	0.84
Balance at the end of the year	70.21	89.20

*The plan assets were invested in insurer managed funds.

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of obligation at the end of the year	49.89	65.00
Fair value of plan assets at the end of the year	(70.21)	(89.20)
Net defined benefit asset recognised in the balance sheet	(20.32)	(24.20)

The Company's best estimate of contribution during the next year is ₹ Nil (March 31, 2022: ₹ Nil)

Expense recognised in the statement of profit and loss under employee benefits expense:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	4.89	6.78
Interest cost	(2.44)	0.48
Expense recognised in the statement of profit and loss	2.45	7.26

Amount recognised in the other comprehensive income:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial gain due to demographic assumption change	(0.77)	-
Actuarial gain due to financial assumption change	(1.00)	(4.19)
Actuarial loss/(gain) due to experience adjustments	21.86	(14.14)
Differential return on plan assets	0.69	(0.84)
Amount recognised in the other comprehensive income	20.78	(19.17)

Sensitivity analysis of the defined benefit obligation:

Discount rate	March 31, 2023		March 31, 2022	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity level				
Impact on defined benefit plan	51.90	48.05	66.61	63.49

Furure salary increase	March 31, 2023		March 31, 2022	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity level				
Impact on defined benefit plan	47.83	52.10	63.53	66.55

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.



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Notes to the Financial Statements for the year ended March 31, 2023

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The table below summarises the maturity profile of the defined benefit obligations:

	As at March 31, 2023	As at March 31, 2022
Within one year	15.96	22.90
Between one to five years	23.16	25.11
Later than five years	31.85	49.51
	70.97	97.52

(D) Other long-term employee benefits (compensated absences) :

	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the end of the year	14.51	17.47
	14.51	17.47

34 Fair value measurements

	Notes	Carrying Value as at		Fair Value as at	
		March 31, 2023	March 31, 2022 (Restated)	March 31, 2023	March 31, 2022 (Restated)
Financial assets					
Amortised cost (Level 3)					
Investments	(a, c)	11.21	506.65	11.21	506.65
Trade receivables	(a)	208.72	155.77	208.72	155.77
Cash and cash equivalents	(a)	110.53	225.26	110.53	225.26
Other bank balances	(a)	1,035.73	27.21	1,035.73	27.21
Other financial assets	(a, b)	29.59	10.47	29.59	10.47
Total financial assets		1,395.78	925.36	1,395.78	925.36
Financial liabilities					
Amortised cost (Level 3)					
Lease liabilities	(a)	60.01	-	60.01	-
Trade payables	(a)	163.63	185.50	163.63	185.50
Other financial liabilities	(a)	77.44	56.71	77.44	56.71
Total financial liabilities		301.08	242.21	301.08	242.21

The following methods/assumptions were used to estimate the fair values:

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments. Further, the fair value disclosure of lease liabilities is not required.
- Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- Fair value of financial instruments which are measured at fair value is explained below:

(i) Fair value hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. 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.

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments;

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

Level 3: unobservable inputs for the asset or liability.

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Notes to the Financial Statements for the year ended March 31, 2023

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(ii) Financial instruments measured at fair value - recurring fair value measurements

Particulars	Significant unobservable input	Level	As at March 31, 2023	As at March 31, 2022 (Restated)
Financial assets				
Investments in equity shares - others, unquoted*	Discount rate	Level 3	-	188.54
Investments in equity shares - others, quoted^	None	Level 1	1.03	0.95
Investments in OCRPS**	Discount rate	Level 3	-	75.74
Investments in mutual funds#	None	Level 1	-	-
Investments in CCPS^^	None	Level 3	-	1.00

* The fair value has been determined basis the discounted cash flow method as per the requirements of Ind AS 113, Fair Value Measurements.

^ The fair value has been determined basis the listed market price of equity shares.

** The fair value has been determined basis the discounted cash flow method as per the requirements of Ind AS 113, Fair Value Measurements.

The fair value has been determined basis the net asset value for mutual funds on the basis of the statement received from investee party.

^^ The valuation has been determined basis the underlying the book value of equity shares as the amount involved is not significant.

(iii) Sensitivity analysis

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Impact on investments measured at fair value, if there is a change in discount rate		
Impact due to increase of 5%	-	(11.41)
Impact due to decrease of 5%	-	12.87

(iv) The following table presents the changes in level 3 items for the years ended March 31, 2023 and March 31, 2022

Particulars	Investments in equity shares - others, unquoted	Investments in OCRPS
As at April 1, 2021 (Restated)	184.71	79.99
Add: Additions during the year	-	-
Add: Impact of fair value changes during the year	3.84	(4.25)
As at March 31, 2022 (Restated)	188.55	75.74
Add: Impact of fair value changes during the year	(88.10)	4.25
Less: De-recognition of financial asset	(100.45)	(79.99)
As at March 31, 2023	-	-

35. Financial risk management

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board of Directors with top management oversees the formulation and implementation of the risk management policies. The risks and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- o Credit risk (see (i));
- o Liquidity risk (see (ii)); and
- o Market risk (see (iii)).

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments and other financial assets. The carrying amount of financial assets represents the maximum credit exposure.



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Notes to the Financial Statements for the year ended March 31, 2023

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Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional or dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

As at March 31, 2023 and March 31, 2022, there is no major customer meeting the credit risk policies of the Company.

Expected credit loss with respect to trade receivables:

In accordance with Ind AS 109 - Financial Instruments, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers.

With respect to trade receivables, based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹7.10 Millions (March 31, 2022: ₹2.05 Millions). The Company recognises allowance for expected credit loss at full value for disputed receivables and undisputed receivables outstanding for more than one year.

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	4.77	4.35
Add: Allowance for expected credit loss	2.62	0.42
Less: Receivables written off *	(1.39)	-
Balance at the end of the year	6.00	4.77

* Receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a payment plan with the Company.

Expected credit loss with respect to other financial asset:

With regards to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no allowance for expected credit loss has been provided on these financial assets.

ii. Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due. In doing this, management considers both normal and stressed conditions. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2023 and March 31, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

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As at March 31, 2023	Carrying Amount	Contractual cash flows			
		Total	Within 1 year	1 - 2 year	More than 2 year
Non-derivative financial liabilities					
Lease liabilities	60.01	88.48	8.92	8.92	70.64
Trade payables	163.63	163.63	163.63	-	-
Other financial liabilities	77.44	77.44	77.44	-	-

As at March 31, 2022 (Restated)	Carrying Amount	Contractual cash flows			
		Total	Within 1 year	1 - 2 year	More than 2 year
Non-derivative financial liabilities					
Trade payables	185.50	185.50	185.50	-	-
Other financial liabilities	56.71	56.71	56.71	-	-

(iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency risk; and
- Price risk;

The above risks may affect the Company's income and expenses or the value of its financial instruments. The Company's exposure to and management of these risks are explained below."

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of the Company. The currency in which the Company is exposed to risk is USD.

The Company follows a natural hedge driven currency risk mitigation policy, to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are planned, including but not limited to, entering into forward contracts and interest rate swaps.

Exposure to currency risk

The summary quantitative data about the Company's exposure (unhedged) to currency risk as reported to the management of the Company is as follows:

	As at March 31, 2023	As at March 31, 2022 (Restated)
	USD	USD
Trade receivables (₹ in Million)	26.09	12.63
Trade payables (₹ in Million)	(10.96)	(7.09)
Net exposure	15.13	5.54

Sensitivity analysis

A reasonably possible strengthening/weakening of the USD against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	Profit before tax Strengthening	Profit before tax Weakening
March 31, 2023		
USD (5% movement)	0.76	(0.76)
March 31, 2022 (Restated)		
USD (5% movement)	0.28	(0.28)



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Price risk

Exposure

The Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss.

Sensitivity

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the year :

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Quoted and unquoted		
Price increase by 5%	0.05	13.31
Price decrease by 5%	(0.05)	(13.31)

36. Capital management

(a) Risk management

The Company's objective when managing capital are to maintain positive cash flow position. The Company's strategy is to maintain a reasonable current ratio. The current ratio is as follows:

	As at March 31, 2023	As at March 31, 2022 (Restated)
Current assets	1,645.60	1,090.81
Current liabilities	275.72	269.72
Current ratio	5.97	4.04

(b) Dividends

	As at March 31, 2023	As at March 31, 2022 (Restated)
Equity shares		
(i) Equity shares		
Interim dividend of Nil per equity share for the year ended March 31, 2023 (March 31, 2022: ₹4 per equity share)	-	104.79

The Board of Directors at their meeting held on May 23, 2023 have recommended a final dividend of ₹5.00 (100%) per equity share of ₹5 each amounting to ₹130.99 Millions for the year ended March 31, 2023 subject to approval in ensuing annual general meeting.

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37. Related party disclosures

1. Related parties with whom transactions have taken place:

The names of the related parties of the Company and the nature of relationship is as follows:

S.No.	Nature of relationship	Name of the party
1	Entities exercising significant influence over the Company	Aresko Progressive Private Limited Infinity Holdings
2	Enterprises in which certain directors are interested or are in common:	Naari Pharma Private Limited Aresko Properties LLP Suvyns Developers Private Limited (from June 29, 2022) Dharuhera Pharmaceuticals Private Limited Sewara Realtech LLP
3	Key management personnel (KMP)	Mr. Sanjiv Kumar Dudeja (till February 11, 2022) Ms. Jasbir Kaur Kochhar (till June 29, 2022) Mr. Ashok Kumar Pati (till June 29, 2022) Mr. Ishpal Singh Ghai (till June 29, 2022) Mr. Mammen Mathew (till June 29, 2022) Mr. Bharat Sinh (till June 29, 2022) Mr. Rajpal Singh Kochhar (till July 16, 2022) Ms. Nandita Singh (till December 31, 2022) (Company Secretary) Mr. S V Subha Rao (from February 11, 2022) (Chief Financial Officer) Ms. Radhika Madhukar Dudhat (from June 29, 2022) Mr. Prithipal Singh Kochhar (from June 29, 2022) Mr. Harsha Raghavan (from June 29, 2022) Mr. Debasis Bikash Nandy (from June 29, 2022) Ms. Pallavi Dinodia Gupta (from June 29, 2022) Mr. Manish Gupta (from July 16, 2022) Mr. Abhishek Joshi (from February 13, 2023) (Company Secretary)
4	Relatives of KMP	Mr. Inderpal Singh Kochhar (till March 31, 2022) (Son of Rajpal Singh Kochhar)

2. Transaction with related parties for the year ended March 31, 2023

S.No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Relative of KMP	Total
	Description of transactions:					
1.	Purchase of goods and services:					
	Naari Pharma Private Limited	-	37.57	-	-	37.57
	Suvyns Developers Private Limited	-	84.05	-	-	84.05
		-	121.62	-	-	121.62
2.	Other income:					
	Naari Pharma Private Limited	-	0.77	-	-	0.77
		-	0.77	-	-	0.77
3.	Sale of property, plant and equipment:					
	Aresko Properties LLP	-	0.01	-	-	0.01
	Dharuhera Pharmaceuticals Private Limited	-	0.23	-	-	0.23
	Sawera Realtech LLP	-	0.21	-	-	0.21
	Mr. Indepal Singh Kochhar	-	-	0.02	-	0.02
	Mr. Rajpal Singh Kochhar	-	-	1.90	-	1.90
		-	0.45	1.92	-	2.37



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S.No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Relative of KMP	Total
4.	Remuneration (including perquisites)*					
	Mr. Rajpal Singh Kochhar	-	-	6.81	-	6.81
	Ms. Nandita Singh	-	-	0.70	-	0.70
	Mr. S V Subha Rao	-	-	4.80	-	4.80
	Mr. Manish Gupta	-	-	10.59	-	10.59
	Mr. Abhishek Joshi	-	-	0.10	-	0.10
		-	-	23.00	-	23.00
5.	Sitting fees:					
	Mr. Bharat Sinh	-	-	0.06	-	0.06
	Mr. Ashok Kumar Pati	-	-	0.04	-	0.04
	Mr. Ishpal Singh Ghai	-	-	0.05	-	0.05
	Mr. Mammen Mathew	-	-	0.03	-	0.03
	Ms. Radhika Madhukar Dudhat	-	-	0.45	-	0.45
	Mr. Debasis Bikash Nandy	-	-	0.58	-	0.58
	Ms. Pallavi Dinodia Gupta	-	-	0.50	-	0.50
		-	-	1.71	-	1.71
6.	#Commission:					
	Ms. Radhika Madhukar Dudhat	-	-	0.50	-	0.50
	Ms. Pallavi Dinodia Gupta	-	-	0.50	-	0.50
	Mr. Debasis Bikash Nandy	-	-	0.50	-	0.50
		-	-	1.50	-	1.50
7.	Sale of investments					
	Aresko Progressive Private Limited	196.85	-	-	-	196.85
		196.85	-	-	-	196.85
8.	Share based payment expense					
	Mr. Manish Gupta	-	-	61.91	-	61.91
		-	-	61.91	-	61.91

3. Outstanding balances with related parties as at March 31, 2023

S.No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Relative of KMP	Total
1.	Trade payables:					
	Naari Pharma Private Limited	-	10.81	-	-	10.81
		-	10.81	-	-	10.81
2.	Trade receivables:					
	Naari Pharma Private Limited	-	0.77	-	-	0.77
		-	0.77	-	-	0.77
3	#Commission payable:					
	Ms. Radhika Madhukar Dudhat	-	-	0.50	-	0.50
	Ms. Pallavi Dinodia Gupta	-	-	0.50	-	0.50
	Mr. Debasis Bikash Nandy	-	-	0.50	-	0.50
		-	-	1.50	-	1.50
4	Equity share capital:					
	Aresko Progressive Private Limited	26.67	-	-	-	26.67
	Infinity Holdings	33.07	-	-	-	33.07
		59.74	-	-	-	59.74

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4. Transaction with related parties for the year ended March 31, 2022

S.No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Relative of KMP	Total
	Description of transactions:					
1.	Purchase of goods and services:					
	Naari Pharma Private Limited	-	18.08	-	-	18.08
		-	18.08	-	-	18.08
2.	Rent:					
	Ms. Jasbir Kaur Kochhar	-	1.50	-	-	1.50
		-	1.50	-	-	1.50
3.	Interest expense:					
	Ms. Jasbir Kaur Kochhar	-	2.61	-	-	2.61
		-	2.61	-	-	2.61
4.	Remuneration (including perquisites)*					
	Mr. Rajpal Singh Kochhar	-	-	12.11	-	12.11
	Ms. Nandita Singh	-	-	0.70	-	0.70
	Mr. Inderpal Singh Kochhar	-	-	-	7.23	7.23
	Mr. S V Subha Rao	-	-	4.22	-	4.22
	Mr. Sanjiv Kumar Dudeja	-	-	9.92	-	9.92
		-	-	26.95	7.23	34.18
5.	Sitting fees:					
	Mr. Bharat Sinh	-	-	0.29	-	0.29
	Mr. Ashok Kumar Pati	-	-	0.26	-	0.26
	Mr. Ishpal Singh Ghai	-	-	0.29	-	0.29
	Mr. Mammen Mathew	-	-	0.22	-	0.22
		-	-	1.06	-	1.06
6.	#Commission:					
	Mr. Bharat Sinh	-	-	0.40	-	0.40
	Mr. Ashok Kumar Pati	-	-	0.40	-	0.40
	Mr. Ishpal Singh Ghai	-	-	0.40	-	0.40
	Mr. Mammen Mathew	-	-	0.40	-	0.40
		-	-	1.60	-	1.60
7.	Investments in OCRPS					
	Naari Pharma Private Limited	-	79.99	-	-	79.99
		-	79.99	-	-	79.99

5. Outstanding balances with related parties as at March 31, 2022

S.No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Relative of KMP	Total
1.	Trade payables:					
	Naari Pharma Private Limited	-	5.00	-	-	5.00
		-	5.00	-	-	5.00
2.	#Commission payable:					
	Mr. Ashok Kumar Pati	-	-	0.40	-	0.40
	Mr. Ishpal Singh Ghai	-	-	0.40	-	0.40
	Mr. Mammen Mathew	-	-	0.40	-	0.40
	Mr. Bharat Sinh	-	-	0.40	-	0.40
		-	-	1.60	-	1.60
3	Equity share capital:					
	Aresko Progressive Private Limited	83.95	-	-	-	83.95
		83.95	-	-	-	83.95



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Breakup of remuneration to key management personnel were as follows:-

	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term employee benefits	23.01	34.18
Post employment benefits	3.92	1.21
Share based payment expense	61.91	-
Total	88.84	35.39

* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

Commission payable is subject to the approval of shareholders in the annual general meeting.

The Company's material related party transactions are at arm's length and in the ordinary course of business.

38. Segment information

The chief operating decision maker (CODM) examines the Company's performance from operational perspective and has identified the Pharmaceuticals business as single business segment. The Company is operating in India which constitutes a single geographical segment. The CODM reviews internal management reports to assess the performance of the segment 'Pharmaceuticals'.

39. The Company had introduced policy for other long-term employee benefits viz. compensated absences given to its employees with retrospective effect in the year ended March 31, 2022. The effect of prior years has been adjusted in the other equity.

40. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt:

	As at March 31, 2023	As at March 31, 2022
Sales tax demands (1)	57.80	58.68
Income tax (2)	3.07	3.07
Goods and services tax	-	17.89

(1). The sales tax related matters are primarily related to short value added tax paid on procurement of material.

(2). The income tax related contingent liabilities are primarily comprising of preliminary assessment of tax returns.

Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various stages/forums.

The Company believes that none of these matters, either individually or in aggregate, are expected to have any material impact on its financial statements.

41. Leases

(a) The details of the right-of-use assets held by company is as follows:

	Depreciation charge		Net carrying amount	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Premises	3.50	-	59.28	-
Total	3.50	-	59.28	-

Additions to the right-of-use assets during the year ended March 31, 2023 were ₹60.45 Millions (March 31, 2022: Nil)

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

(b) Amount recognised in Statement of Profit and Loss:

	As at March 31, 2023	As at March 31, 2022
Interest on lease liabilities	2.78	-
Rent expense for short-term leases	18.31	-
Total	21.09	-

(c) Amount recognised in Statement of Cash flows:

	As at March 31, 2023	As at March 31, 2022
Total cash outflow for long-term leases (inclusive of interest on lease liabilities)	3.22	-
Total	3.22	-

(d) The Company has total commitment for short terms leases as at March 31, 2023 for ₹3.6 Million (March 31, 2022: ₹10.36 Million)

(e) The changes in the Company's lease liabilities arising from financing activities can be classified as follows:

	As at March 31, 2023	As at March 31, 2022
Lease liabilities as at beginning of the year (current and non-current)	-	-
Additions	60.45	-
Interest on lease liabilities	2.78	-
Payment of lease liabilities	(3.22)	-
Lease liabilities as at end of the year (current and non-current)	60.01	-

(f) Reconciliation of movements of borrowings and interest accrued to cash flows arising from financing activities

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	-	67.88
Movement due to cash transactions as per the statement of cash flows	(1.35)	(70.73)
Movement due to finance costs expensed	1.35	2.85
As at end of the year	-	-

42. Corporate Social Responsibility ("CSR") Expenditure:

- (i) Gross amount required to be spent by the Company during the year is ₹3.91 Million (March 31, 2022: ₹2.69 Million)
- (ii) Amount spent during the year:

Particulars	Year ended on March 31, 2023		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	1.74	2.17	3.91
(ii) on purpose other than (i) above	1.54	-	1.54

Particulars	Year ended on March 31, 2022		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) on purpose other than (i) above	1.14	1.54	2.68

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

(iii) Unspent amount CSR as per Section 135(5) of Companies Act, 2013

Particulars	March 31, 2023	March 31, 2022
Opening balance	1.54	-
Amount required to be spent during the year	3.91	2.68
Amount spent during the year	3.28	1.14
Closing unspent balance carry forward to next year	2.17	1.54

- (iv) Total of previous year's shortfall: ₹1.54 Million
- (v) Reason for shortfall: Not applicable
- (vi) Nature of CSR activities: The CSR activity focus areas are health, education and livelihood to improve the quality of the life of the community around the business locations.
- (vii) Details of related party transactions: Not Applicable
- (viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: Not applicable

43. Employee stock option

The Company has a stock option plan in place namely "Jagsonpal Pharmaceuticals Limited Employees Stock Option Plan 2022 ("JPL ESOP 2022")".

The Nomination and Remuneration Committee ('NRC' or 'Committee') of the Board of Directors ('Board') which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plan.

Under Plan 2022, up to 2,619,800 stock options can be issued to eligible directors and other specified categories of employees of the Company.

The details of share options are as follows:

Particulars	Plan 2022		
	Date of grant	Number of options	Exercise price(₹)
Grant-I	August 29, 2022	420,000	235
Grant-II	September 16, 2022	1,047,920	235
Date of board approval of the relevant scheme	May 13, 2022		
Date of shareholder's approval of the relevant scheme	June 17, 2022		
Method of settlement (cash/equity)	Equity		
Vesting period	Options granted will vest in the manner decided by the committee and specified in the grant letter, and in any event not earlier than 1 year from the grant date and no later than a period of 5 years from the grant date.		
Exercise price	Exercise price shall not be higher than the market price (i.e. latest available closing price on a recognised stock exchange having highest trading volume on which the equity shares of the Company are listed) of the equity shares at the time of grant and not less than the face value of the equity shares of the Company.		
Vesting conditions	The Options granted under the scheme shall vest over a maximum period of upto 5 (five) years from the date of grant, in one or more tranches. The criteria, which shall be determined by the NRC including, if so determined by NRC, either tenure based or performance based or a combination of the two, and the vesting period (which differ basis respective Optionee) will be specified in the option letter to be granted to respective optionee.		

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

Vesting schedule

S.No	Grant I & II	
	% of options scheduled to vest	Vesting date
1.	25%	1 st year from date of grant
2.	25%	2 nd year from date of grant
3.	25%	3 rd year from date of grant
4.	25%	4 th year from date of grant

The movement in the stock options under "JPL ESOP 2022" during the year is set out below:

	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Number of Options	Weighted average exercise price	Number of option	Weighted average exercise price
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	1,467,920	235.00	-	-
Forfeited, lapsed during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,467,920	235.00	-	-
Exercisable at the end of the year	-	-	-	-

Fair value of options granted:

The weighted average fair value of options granted during the year for Plan 2022 is ₹594.52 (March 31, 2023: Nil) per option. The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The following tables list the inputs to models used for fair valuation of the options (for grant I and II):

	Plan 2022
Expected volatility	56.07%
Risk free interest rate	7.13%
Exercise price	235.00
Expected dividend yield	5.00
Expected life of options (years)	3 years

Expected volatility was based on an evaluation of the historical volatility of the share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Share options outstanding at the end of the year:

Options	March 31, 2023			March 31, 2022		
	Options Outstanding	Weighted average remaining contractual life (in years)	Exercise price	Options Outstanding	Weighted average remaining contractual life (in years)	Exercise price
JPL ESOP Plan 2022 - Grant I	420,000	3.85	235.00	-	-	-
JPL ESOP Plan 2022 - Grant II	1,047,920	3.87	235.00	-	-	-

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

Expenses arising from equity-settled share-based payment transactions:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Expenses arising from equity-settled share-based payment transactions:	87.65	-
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	87.65	-

44. Restatement of previously reported financial information
A Impact on Balance sheet

Particulars	Notes	March 31, 2022 (Reported)	Impact of restatement	March 31, 2022 (Restated)	April 01, 2021 (Reported)	Impact of restatement	April 01, 2021 (Restated)
ASSETS							
Non-current assets							
Property, plant and equipment		223.73	2.00	225.73	233.47	2.00	235.47
Goodwill	Note D (2)	23.75	(23.45)	0.30	23.75	(23.45)	0.30
Financial Assets							
(i) Investments	Note D (1)	205.75	82.80	288.55	120.58	90.56	211.14
(ii) Other financial assets	Note D (4)	-	2.00	2.00	2.86	-	2.86
Income-tax assets (net)	Note D (4)	94.31	(83.64)	10.67	45.78	(40.08)	5.70
Other non-current assets	Note D (4)	29.23	(5.04)	24.19	10.81	(4.42)	6.39
Total non-current assets		576.77	(25.33)	551.44	437.25	24.61	461.86
Current assets							
Inventories		297.42	-	297.42	297.24	-	297.24
Financial Assets							
(i) Investments	Note D (1)	221.41	(3.31)	218.10	32.51	-	32.51
(ii) Loans	Note D (4)	3.05	(3.05)	-	2.68	(2.68)	-
(iii) Trade receivables		155.77	-	155.77	126.64	-	126.64
(iv) Cash and cash equivalents	Note D (4)	260.29	(35.03)	225.26	589.43	-	589.43
(v) Other bank balances	Note D (4)	1.24	25.97	27.21	12.87	-	12.87
(vi) Other financial assets	Note D (4)	0.13	8.34	8.47	2.50	4.43	6.93
Other current assets	Note D (2 and 4)	168.46	(9.88)	158.58	140.90	(20.26)	120.64
Total current assets		1,107.77	(16.96)	1,090.81	1,204.77	(18.51)	1,186.26
Total assets		1,684.54	(42.29)	1,642.25	1,642.02	6.10	1,648.12
EQUITY AND LIABILITIES							
Equity							
Equity share capital		130.99	-	130.99	130.99	-	130.99
Other equity	Note B and D(5)	1,177.57	19.03	1,196.60	1,088.30	29.45	1,117.75
Total equity		1,308.56	19.03	1,327.59	1,219.29	29.45	1,248.74
Liabilities							
Non-current liabilities							
Provisions		12.56	-	12.56	0.18	-	0.18
Deferred tax liabilities (net)	Note D (3)	21.87	10.51	32.38	18.59	4.77	23.36
Total non-current liabilities		34.43	10.51	44.94	18.77	4.77	23.54

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

Particulars	Notes	March 31, 2022 (Reported)	Impact of restatement	March 31, 2022 (Restated)	April 01, 2021 (Reported)	Impact of restatement	April 01, 2021 (Restated)
Current liabilities							
Financial liabilities							
(i) Borrowings		-	-	-	67.88	-	67.88
(ii) Trade payables		-	-	-	-	-	-
Total outstanding dues to micro enterprises and small enterprises		22.71	-	22.71	21.82	-	21.82
Total outstanding dues to creditors other than micro enterprises and small enterprises	Note D (4)	140.16	22.63	162.79	158.68	26.35	185.03
(iii) Other financial liabilities	Note D (4)	54.91	1.80	56.71	43.82	-	43.82
Other current liabilities	Note D (4)	39.26	(18.98)	20.28	65.08	(20.76)	44.32
Provisions		4.90	-	4.90	8.47	-	8.47
Current tax liabilities (net)	Note D (4)	79.61	(77.28)	2.33	38.21	(33.71)	4.50
Total current liabilities		341.55	(71.83)	269.72	403.96	(28.12)	375.84
Total liabilities		375.98	(61.32)	314.66	422.73	(23.35)	399.38
Total equity and liabilities		1,684.54	(42.29)	1,642.25	1,642.02	6.10	1,648.12

B. Impact on total equity

	Notes	March 31, 2022	April 01, 2021
Total equity as reported		1,308.56	1,219.29
Impact of fair valuation of investments	Note D (1)	84.80	92.56
Certain assets expensed off	Note D (2)	(48.90)	(46.39)
Deferred tax impact		(16.87)	(16.72)
Total equity as restated	Note D(3) & (5)	1,327.59	1,248.74

C. Statement of profit and loss for the year ended March 31, 2022

Particulars	Notes	Year ended March 31, 2022 (Reported)	Impact of restatement	Year ended March 31, 2022 (Restated)
Income				
Revenue from operations	Note D (4)	2,260.97	(85.13)	2,175.84
Other Income	Note D (4)	33.35	0.92	34.27
Total income		2,294.32	(84.21)	2,210.11
Expenses				
Cost of materials consumed	Note D (4)	404.19	(85.13)	319.06
Purchases of stock-in-trade	Note D (4)	497.54	16.90	514.44
Changes in inventories of finished goods, stock-in-trade and work-in-progress		56.11	-	56.11
Employee benefits expense		576.75	-	576.75
Finance costs		2.85	-	2.85
Depreciation, amortisation and impairment expense		15.26	-	15.26
Impairment losses on financial assets		0.42	-	0.42
Other expenses	Note D (4)	468.02	(9.22)	458.80
Total expenses		2,021.14	(77.45)	1,943.69
Profit before tax		273.18	(6.76)	266.42
Tax expense:				
Current tax		74.03	-	74.03
Deferred tax	Note D (3)	3.29	0.55	3.84
Profit after tax		195.86	(7.31)	188.55
Other comprehensive income				
(i) Items that will not be classified to profit or loss	Note D (1)	19.16	(3.50)	15.66
(ii) Income tax relating to items that will not be reclassified to profit and loss	Note D (3)	(5.58)	0.40	(5.18)
Total other comprehensive income		13.58	(3.10)	10.48
Total comprehensive income		209.44	(10.41)	199.03



Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

Impact on earnings per share - March 31, 2022

Particulars	Year ended March 31, 2022 (Reported)	Year ended Impact of restatement	Year ended March 31, 2022 (Restated)
Earnings per share			
- Basic	7.48	(0.28)	7.20
- Diluted	7.48	(0.28)	7.20

Extract of statement of cash flows - March 31, 2022

Particulars	Year ended March 31, 2022 (Reported)	Year ended Impact of restatement	Year ended March 31, 2022 (Restated)
Cash flows from operating activities	55.98	13.16	69.14
Cash flows from investing activities	(262.08)	4.29	(257.79)
Cash flows from financing activities	(123.04)	(52.48)	(175.52)

D Notes:

1 Impact of fair valuation of investments

The Company had made certain investments in form of equity and debt securities. Such investments were carried at cost till previous year. As per Ind AS 32 and Ind AS 109, the Company should have recognised these balances either at fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL), as applicable. During the year, the Company has corrected the application of Ind AS 32 and 109 and accordingly, restated the numbers as at April 1, 2021 and as at and for the year ended March 31, 2022.

2 Certain assets expensed off

- (a) As per the need of business, the Company incurs expenses towards marketing and brand reminders towards its customers/prospective customers. The Company had considered these expense as prepaid expenses and charged to statement of profit and loss as and when these are utilised. During the year, the Company has corrected the recognition as per the principles of Ind AS and accordingly, restated the numbers as at April 1, 2021 and as at and for the year ended March 31, 2022.
- (b) In earlier years, the Company had incurred certain research related expenses towards its new product Divatrone which was recognised as intangible assets and prepaid expenses. However, research related expenses should not have been recognised as such as per the principles of Ind AS 38. During the year, the Company has corrected the application of Ind AS 38 and accordingly, restated the numbers as at April 1, 2021 and as at and for the year ended March 31, 2022.

3 Deferred tax impact

As the above measurements are retrospectively corrected and accordingly, related tax impacts were also corrected (including certain other deferred tax related errors).

4 Material reclassifications

During the year ended March 31, 2023, the Company has made certain reclassifications in the comparative balance sheet March 31, 2022. As these reclassifications are material, the Company has made such correction by restating opening balances of earliest reported comparative balance sheet as at April 1, 2021.

5 Revaluation reserve in respect of land

The Company was carrying land related revaluation reserve in its financial statements which should have been transferred to retained earnings at the time of transition to Ind AS. Hence, during the year, the Company has corrected the recognition of revaluation reserves as per the principles of Ind AS and accordingly, restated the numbers as at April 1, 2021 and as at and for the year ended March 31, 2022.

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

45. Financial ratios*:

S.No.	Particulars	Unit	Formulas		2022-23	2021-22	% Variance	Reason for variance
			Numerator	Denominator				
(a)	Current ratio	in times	Current assets	Current liabilities	5.97	4.04	47.58%	Increase is primarily due to investments in bank deposits by the Company
(b)	Debt equity ratio	in times	Net debts	Total equity	-	-	-	Not applicable
	Debt service coverage ratio	in times	Earning for debt service	Debt service	-	2.92	-100.00%	Decrease in ratio is primarily on account of payment of debts
	{Earning for debt service: Profit after tax + depreciation and amortisation expense + finance costs + exceptional items}							
(c)	{Debt service: Finance costs + scheduled principal repayments (excluding prepayments) during the period for non-current borrowings}							
(d)	Return on equity ratio	in times	Profit after tax	Average total equity	0.17	0.14	18.41%	Not applicable
	{Equity: Total assets - total liabilities, Average equity: Average of opening and closing equity}							
(e)	Inventory turnover ratio	in times	Cost of goods sold	Average inventory	3.69	2.99	23.44%	Not applicable
	{Average inventory: Average of opening and closing inventories}							
(f)	Trade receivable turnover ratio	in times	Revenue from operations	Average trade receivables	12.99	15.41	-15.71%	Not applicable
	{(Average trade receivable: Average of opening and closing trade receivables)}							
(g)	Trade payable turnover ratio	in times	Net purchases	Average trade payables	7.31	6.87	6.37%	Not applicable
	{Net purchases: Gross purchases - purchase return + other expenses net of CSR and donations}							
	{Average trade payables: Average of opening and closing trade payables}							
(h)	Net capital turnover ratio	in times	Revenue from operations	Working capital	1.73	2.65	-34.79%	Decrease is primarily due to investments in bank deposits by the Company
	{Working capital = Current assets-current liabilities}							
(i)	Net profit ratio	In %	Profit for the year	Revenue from operations	11.29%	8.67%	30.26%	Increase is primarily due to increase in profits during the year



Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

S.No.	Particulars	Formulas			2022-23	2021-22	% Variance	Reason for variance
		Unit	Numerator	Denominator				
(j)	Return on capital employed {Earnings before tax and interest cost (EBIT): Profit before tax + finance costs + exceptional items} {Capital Employed: Total equity + long term borrowings + short term borrowings+deferred tax liabilities}	In %	Earning before tax and interest cost	Capital employed	22.86%	19.60%	16.64%	Not applicable
(k)	Return on investment {Return on investment: Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income} {Average investments: Average of opening and closing investments}	In %	Return on investments	Average investments	-33.45%	0.71%	-4819.27%	Decrease is primarily due to fair valuation loss on investments during the year.

*Financial ratios have been presented basis the guidance note on Division II - Ind AS Schedule III to the Act, issued by ICAI.

46. Exceptional items

	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment loss on property, plant and equipment (Refer note 1 below)	27.79	-
One-time ex-gratia to retiring employees (Refer note 2 below)	6.80	-
Total exceptional loss	34.59	-

Note:

- (1) During the year, the Company has assessed recoverability of certain property, plant and equipment and based on the best estimates as per available external and internal information, it has recorded an impairment of ₹27.79 Million, which has been disclosed as an exceptional item.
- (2) During the year, the Company has paid one-time ex-gratia to retiring employees amounting to ₹6.80 Million, which has been disclosed as an exceptional item.

- 47.** (i) The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (intermediaries) with the understanding that the intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (ultimate beneficiaries); or
 - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (ii) The Company has not received any fund from any person or any entity, 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 a or on behalf of the funding party (ultimate beneficiaries); or
 - Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Jagsonpal Pharmaceuticals Limited

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts in Indian Rupees millions, unless stated otherwise)

48. Earnings per share

		For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for basic and diluted earnings per share of ₹5 each	₹ in Millions	267.21	188.55
Weighted average number of equity shares used in computing earning per share			
For basic earnings per share	Nos.	26,198,000	26,198,000
For diluted earnings per share*	Nos.	26,198,000	26,198,000

Earnings per equity share (face value of ₹5 each)

	₹	10.20	7.20
Basic			
Diluted		10.20	7.20

*Employee stock options are potential equity instruments but currently have not been considered for calculation of diluted earnings per share as these are anti-dilutive in nature.

49. Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.

The accompanying notes including summary of significant accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Reg. No.: 001076N/N500013

For and on behalf of the Board of Directors of **Jagsonpal Pharmaceuticals Limited****Ashish Gupta**

Partner

Membership No.: 504662

Manish Gupta

Managing Director

DIN 06805265

Harsha Raghavan

Chairman & Non-Executive Director

DIN 01761512

Place: Gurugram

Date: May 23, 2023

S V Subha Rao

Chief Financial Officer

Abhishek Joshi

Company Secretary

**JAGSONPAL PHARMACEUTICALS LIMITED**

Regd. Office. T-210 J, Shahpur Jat, New Delhi - 110 049

Phone: 0124 – 4406710

Email: cs@jagsonpal.com; Website: www.jagsonpal.com

CIN No. L74899DL1978PLC009181

NOTICE

NOTICE is hereby given that the 44th Annual General Meeting ('AGM') of the Members of **JAGSONPAL PHARMACEUTICALS LIMITED** will be held on Thursday, August 31, 2023 at 03:30 p.m. (IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS**1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2023**

To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the reports of Board of Directors and Auditors thereon.

2. Declaration of Dividend for the Financial Year ended March 31, 2023

To declare a Dividend of ₹5/- per equity share of face value of ₹5/- each for the Financial Year ended March 31, 2023.

3. To appoint a director in place of Mr. Prithipal Singh Kochhar Non Executive Director (DIN No. 01052194) who retires by rotation and being eligible, offers himself, for reappointment.**SPECIAL BUSINESS****4. Ratification of remuneration payable to M/s. Kirit Mehta & Co. Cost Accountants, Cost Auditors of the Company for the Financial Year ending March 31, 2024**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. Kirit Mehta & Co. Cost Accountants (Firm Registration No. 000353), who were appointed by the Board of Directors as Cost Auditors, to audit the cost records of the Company for the financial year ending March 31, 2024, amounting to ₹ 2,00,000/- p.a. (Rupees Two Lakhs Only) inclusive of reimbursement of out-of-pocket expenses at actuals and excluding applicable taxes if any, incurred in connection with the audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors or the Company Secretary of the Company, be and are hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto."

By the Order of the Board of Directors
Jagsonpal pharmaceuticals limited

Abhishek Joshi
Company Secretary &
Compliance Officer
Membership No. A61862

Date: August 02, 2023
Place: Gurugram

NOTES:-

- In view of the Continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/ 2021 dated December 8, 2021, General Circular No. 2/ 2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/ HO/ CFD/ CMD2/ CIR/ P/ 2022/ 62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 (collectively referred to as "SEBI Circulars") have permitted companies to conduct AGM through Video Conferencing ("VC") or Other Audio Video Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 44th AGM of the Company is being convened and conducted through VC / OAVM. The Corporate Office of the Company shall be deemed to be the venue for the AGM.
- A brief resume of the Prithipal Singh Kochhar proposed to be appointed/re-appointed at this AGM, nature of expertise in specific functional areas, names of companies in which they hold directorship and membership/chairmanship of Board Committees, shareholding and relationship between

directors interest as stipulated under Regulation 36 of the Listing Regulations and other requisite information as per Clause 12.5 of Secretarial Standards on General meetings (SS-2), are provided in '**Annexure A**'.

- Attendance of the Members participating in the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) attending the meeting through their authorised representatives pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company, at least 48 hours prior to the start of e-voting, scanned copies of the following documents through email cs@jagsonpal.com.
 - a certified copy of the Board resolution authorising their representatives
 - Photograph along with ID Proof of the Representative
- Members are requested to intimate change, if any, in their address (with PIN Code), E-mail ID, nominations, bank details, mandate instructions, National Electronic Clearing Service ("NECS") mandates, etc. under the signature of the registered holder(s) to M/s MCS Share Transfer Agent Limited, Registrar and Transfer Agent ("RTA") of the Company (email id admin.mcsregistrars.com); Or the Company and their respective Depository Participants.
- The members who have not yet registered their e- mail ids with the Company may contact on (e-mail cs@jagsonpal.com) for registering their e- mail ids on or before the cut-off date fixed for entitling the members to cast their vote i.e., Thursday, August 24, 2023.
- In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility.
- As per the provisions of Section 72 of the Act and circulars issued by SEBI, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she should submit the request in ISR-3 or SH-14 as the case may be. The Forms can be downloaded from Company's website www.jagsonpal.com.

Members are requested to submit the said details to their Depository Participant in case the shares are held by them in dematerialised form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.

- The Notice of AGM and Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of Beneficial Owners received from the Depositories as on **Friday, August 04, 2023**.
- Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz., Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios; transmission and transposition. Accordingly, Company / RTA shall issue a letter of confirmation in lieu of the share certificate while processing any of the aforesaid investor service request. Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the company's website at www.jagsonpal.com and is also available on the website of the RTA at www.mcsregistrars.com. It may be noted that any service request can be processed only after the folio is KYC Compliant. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or MCS, for assistance in this regard.
- SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, has made it mandatory for the holders of physical securities to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers on or before October 1, 2023 to the RTA of the Company. Folios wherein any of the above document(s)/details are not furnished on or before the said date, shall be frozen by the RTA. After December 31, 2025 the frozen folios shall be referred by the RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

Further, the holders of physical securities are requested to ensure that their PAN is linked to Aadhaar as per the date specified by the Central Board of Direct Taxes to avoid freezing of folio.

The security holder(s) whose folio(s) have been frozen shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing the complete documents / details as mentioned above and to receive any payment including dividend, in respect of such frozen folios, only through electronic mode after they comply with the above stated requirements.

12. Members are hereby informed that pursuant to Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as may be amended from time to time (IEPF Rules), dividend which is remaining unpaid/ unclaimed by shareholders for a period of seven consecutive years shall be transferred to IEPF. IEPF Rules mandate the companies to transfer the shares of members whose dividends remain unpaid/ unclaimed for a period of seven consecutive years, to the dematerialisation account of IEPF Authority. The details of unclaimed dividends and its due dates for transfer to IEPF are available on the website of the Company. Members who have not claimed their dividend(s) so far in respect of the unclaimed dividend(s) and which is due for transfer to IEPF, are requested to write to the Company's R&T Agent, well in advance before the respective due dates. The Members whose dividend(s) and/or shares have been transferred to IEPF Authority can now claim their dividend(s) and/or shares from the IEPF Authority by following the 'Procedure to claim Refund' as detailed on the website of IEPF Authority www.iepf.gov.in/IEPF/refund.html. Unclaimed final equity dividend for the financial year 2015-16 is due for transfer to IEPF by November, 2023. Members are required to claim their unenacted dividend, if any, for the financial year 2015-16.
13. Voting rights of the members (for voting through remote e-voting or e-voting system provide in the Meeting itself shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e., **Thursday, August 24, 2023**. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e-voting system provide in the Meeting.
14. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the depository. Members of the company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
15. Queries on the Annual Report and operations of the Company, if any, may please be sent to the email cs@jagsonpal.com at least ten days prior to the date of the AGM so that so as to enable the management to keep the information ready for replying at the meeting.
16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. Relevant documents referred to in the accompanying Notice and the Explanatory Statement pursuant to Section 102 of the Act shall be available for inspection through electronic mode. Members are requested to write to the Company at cs@jagsonpal.com for inspection of the said documents.
18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and the Certificate from the Secretarial Auditors in respect of the Jagsonpal Pharmaceuticals Employee Stock Option Plan 2021 prescribed under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available for inspection by the members during the AGM by following the steps mentioned at note no. 17(d) "Step 1: Access to NSDL e-voting system". After successful login members will be able to view the documents for inspection by clicking on the link available against the EVEN (124813) of the company.
- 19. Voting through electronic means:**
- Pursuant to the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, applicable Secretarial Standards and Regulation 44 of the Listing Regulations, a member of the Company holding shares either in physical form or in dematerialised form, shall exercise his/her right to vote by electronic means (e-voting) in respect of the resolution(s) contained in this notice. The Company has engaged NSDL to provide the facility of voting through electronic means to the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting.
 - The facility of e-voting through the same portal provided by NSDL will be available during the Meeting through VC also to those Members who do not cast their votes by remote e-voting prior to the Meeting. Members, who cast their votes by remote e-voting, may attend the Meeting through VC but will not be entitled to cast their votes once again.
 - The remote e-Voting period commences at **09:00 A.M. (IST) on Monday, August 28, 2023 and ends at 05:00 P.M. (IST) on Wednesday, August 30, 2023**. During this period, members of the Company holding shares either in physical form or in dematerialised form, as on the Cut-off date **Thursday, August 24, 2023 ("Cut-off date")**, may cast their vote by remote e-Voting. No remote e-Voting shall be allowed beyond the aforesaid date and time and remote e-Voting module shall be disabled by NSDL upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date should treat this Notice for information purpose only.
- V. Any person, who acquire shares and become Member of the Company after the date of electronic dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, August 04, 2023 may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if they are already registered with NSDL for remote e-voting then they can use their existing User ID and password to cast the vote.
- VI. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- VII. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 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 on account of first come first served basis.
- VIII. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- IX. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.jagsonpal.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

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





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

Step 1: Access to NSDL e-Voting system

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

Pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 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"> 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 or joining virtual meeting & voting during the meeting. 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 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 hold 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 or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 10px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
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 user 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 your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 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 & 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	<p>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 or joining virtual meeting & voting during the meeting.</p>

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

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 022 - 4886 7000 and 022 - 2499 7000
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 e-Voting and joining virtual meeting 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?

- 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, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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***

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

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - 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'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

- Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. 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" 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.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 cs@jagsonpal.com. The same will be replied by the company suitably.
6. For ease of conduct, the Company is pleased to provide two way video conferencing facility to the Members who would like to express their views/ ask questions at the AGM. The Members may register themselves atleast seven (7) days in advance as a speaker by sending their request along with questions from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at cs@jagsonpal.com. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions at the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have queries regarding financial statements or other matters may send their queries seven (7) days before the AGM mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at cs@jagsonpal.com. These queries will be replied by the Company suitably by email. cs@jagsonpal.com
7. Members who need assistance before or during the AGM, can contact MCS Share Transfer Agent Limited on admin.mcsregistrars.com.

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 cs@jagsonpal.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 cs@jagsonpal.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 and joining virtual meeting 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.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted 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.
3. 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.
4. 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.

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 authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to csmanishsohal@gmail.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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to at evoting@nsdl.co.in
4. In case of any queries or grievances relating to e-Voting, you may contact Ms. Sarita Motte, Authorised Person, NSDL, Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India through e-mail at evoting@nsdl.co.in or on Toll Free No.: 1800-222-990 OR Ms. Meenakshi, Authorised Person, Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi-110020., India through email at admin.mcsregistrars.com.
5. The Board of Directors has appointed Mr. Manish Kumar, Partner, Manish K & Associates, Practising Company Secretary, has been appointed as 'Scrutiniser' to scrutinise the process of e-voting during the AGM and remote e-voting held before the AGM in a fair and transparent manner.
6. The Scrutiniser shall after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during the AGM and shall make, not later than 2 working days of the conclusion of the AGM, a consolidated Scrutiniser's Report of the total e-votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the Scrutiniser's Report and declare the result of the voting forthwith.
7. The results of voting will be declared 2 working days from conclusion of the AGM prescribed under the Listing Regulations and the result declared along with the report of the Scrutiniser shall be placed on the website of the Company (www.jagsonpal.com) and on the website of NSDL immediately after declaration of result by the Chairman or a person authorised by him and the result shall also be communicated to the Stock Exchange. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the AGM scheduled to be held on August 31, 2023.

**8. Dividend related information**

- a) Dividend for the financial year ended March 31, 2023, if approved by the members at the ensuing AGM, will be paid within 30 days from date of AGM to those members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e. Monday, August 21, 2023.
- b) Members holding shares in physical/demat form are hereby informed that the bank particulars registered with RTA or their respective DP, as the case may be, will be considered by the Company for payment of final dividend.
- c) Members holding shares in physical/demat form are required to submit their bank account details, if not already registered, as mandated by the SEBI.
- d) In case the Company's dividend banker is unable to process the final dividend to any member by electronic mode, due to non-availability of the details of the bank account or for any other valid reason whatsoever, the Company shall dispatch the dividend warrants/demand drafts to such Member by post.

9. TDS on dividend

- a) As per the Income-tax Act, 1961, dividends paid or distributed by the Company after 1st April, 2020, shall

be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source ("TDS") at the prescribed rates from the dividend to be paid to the shareholders, subject to requisite approvals. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof.

- b) A separate email communication will be sent to the members informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents are available on the Company's website at www.jagsonpal.com.
- c) The resident and non-resident shareholders should send the scanned copies of the requisite documents to cs@jagsonpal.com on or before August 21, 2023 to enable the Company to determine the appropriate TDS/withholding tax rate, as may be applicable.
- d) Members are requested to note that in case the tax on dividend is deducted at a higher rate in absence of receipt of the requisite details/ documents, there would still be an option available to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102(1) of the Companies Act, 2013 ('Act'), the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 5 of the accompanying notice:

Item No.4: Ratification of payable Remuneration to Cost Auditor

The Board of Directors of the Company has appointed M/s. Kirit Mehta & Co. Cost Accountants as Cost Auditors of the Company for the financial year ending March 31, 2024. Remuneration of ₹2,00,000 p.a. shall be payable to M/s. Kirit Mehta & Co. Cost Accountants as Cost Auditors of the Company for the financial year ending March 31, 2024, which was recommended by the Audit Committee to the Board of Directors and subsequently, was considered and approved by the Board of Directors.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

In this regard, the proposal is being placed before the members for the approval.

None of the Directors, Key Managerial Personnel, or their relatives, are in any way, concerned or interested, financially or otherwise, if any, in the proposed Ordinary Resolution as set out in Item No. 4 of this Notice.



Annexure A

Relevant details pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India, is as given under:

Details of Mr. Prithipal Singh Kochhar, Director of the Company:

Name of the Director	Mr. Prithipal Singh Kochhar
DIN	01052194
Age	44 years
Nationality	US Citizen
Date of first appointment on the Board	June 29, 2022
Brief resume, Qualification(s), Experience and Nature of expertise in specific function	<p>Prithi is the Founder and CEO of Naari CEO which is a company focussed on Women Health. The Company has two development and manufacturing sites in India - for intermediates, APIs and FDFs and offices in Singapore, Ukraine, US and Netherlands. He has successfully expanded operations of the Company in India, South East Asia, Europe, CIS and Africa.</p> <p>Earlier, he founded and served as the CEO of the Indo Phyto Chemicals Pvt Limited for eight years. Starting in 2009 with annual revenue of less than \$250,000 he was successful in exponentially growing the business before selling majority stake in 2016.</p>
Terms and conditions of appointment or Reappointment	Liable to retire by rotation
Details of remuneration sought to be paid and remuneration last drawn	Nil
Shareholding in Jagsonpal Pharmaceuticals Limited as at the date of notice	95,394 Equity Shares
Relationship with other directors, Managers and Key Managerial Personnel of the Company	NA
Number of Board & Committee Meetings attended during the FY 2022-23	Board Meetings: 4 out 4 Nomination and Remuneration Committee Meeting: 4 out 4
Membership/Chairmanship of the Committees of Jagsonpal Pharmaceuticals Limited	Member – Nomination and Remuneration Committee
Details of Directorship	<ol style="list-style-type: none"> 1. I.K. Enterprises Private Limited 2. Suviny's Developers Private Limited 3. Kila Tatarpur Hotels Private Limited 4. Aresko Restaurants Private Limited 5. Raipur Lodge Private Limited 6. Bagri Fort Resorts 7. Mahar Palace Hotel & Spa Private Limited 8. Rakshit Organisational Operations and Transformations Private Limited 9. Jagsonpal Exports (India) Private Limited 10. Aresko Financial Services Limited 11. Ralli Communication Systems Private Limited 12. Naari Pharma Private Limited 13. Comet Conversion Services (India) Private Limited 14. Aresko Realtors Private Limited 15. Aresko Progressive Private Limited 16. Sewara Buildtech Private Limited 17. Aresko Family Private Limited 18. Aresko Estate Private Limited 19. Aresko Life Science Private Limited 20. Jagsonpal Pharmaceuticals Limited



JAGSONPAL PHARMACEUTICALS LIMITED

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