September 3, 2022

BSE Limited
Floor 25, P. J. Towers
Dalal Street, Fort
Mumbai - 400 001

Scrip Code: **530019**

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

Symbol: **JUBLPHARMA**

Dear Sirs,

Sub: Notice of the 44th Annual General Meeting scheduled to be held on September 26, 2022 and Annual Report for the Financial Year 2021-22

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), we wish to inform the following:

1. The Forty-Fourth Annual General Meeting ('AGM') of the Members of Jubilant Pharmova Limited will be held on **Monday, September 26, 2022 at 11:00 A.M.** through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') in accordance with the circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 issued by the Ministry of Corporate Affairs and circulars dated May 12, 2020, January 15, 2021 read with circular dated May 13, 2022 issued by the Securities and Exchange Board of India.

2. Pursuant to the said Circulars, AGM notice and Annual Report for the Financial Year 2021-22 have been sent to all the members of the Company whose email addresses are registered with the Company/ Depository Participant(s).

3. The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all the resolutions set out in the AGM Notice to the members, who are holding shares on the Cut-off date i.e. Monday, September 19, 2022. **The remote e-voting will commence at 9:00 a.m. (IST) on Friday, September 23, 2022 and end at 5:00 p.m. (IST) on Sunday, September 25, 2022**.

   Detailed instructions for registering email addresses(s) and voting/ attendance at the AGM are given in the AGM Notice.

Jubilant Pharmova Limited
1-A, Sector 16-A,
Noida-201 301, UP, India
Tel: +91 120 4361000
Fax: +91 120 4234895-96
www.jubilantpharmova.com

Regd Office:
Bhartiagram, Gajraula
Distt. Amroha - 244 223
UP, India
CIN : L24116UP1978PLC004624

4. We enclose the following documents for your record:

   i. Notice convening the 44th AGM of the Company; and

   ii. Annual Report of the Company for the Financial Year 2021-22

   The above documents are also available on the the Company's website www.jubilantpharmova.com at the following links:

   - Notice
   - Annual Report

5. Further, reference to our letter dated July 29, 2022 intimating the record date for dividend of Rs. 5/- (Rupees Five only) per equity share of Re. 1 each for the year ended March 31, 2022 recommended by the Board of Directors, we would like to confirm that the dividend is subject to approval of the shareholders at the ensuing Annual General Meeting ('AGM'). **The dividend, if approved by the shareholders at the ensuing AGM, will be paid/ dispatched on or before October 24, 2022.**

We request you to take the above on record.

Thanking you,

Yours faithfully,
For Jubilant Pharmova Limited

Naresh Kapoor
Digitally signed by Naresh Kapoor
Date: 2022.09.03 17:33:21 +05'30'

Naresh Kapoor
Company Secretary

Encl: as above

Jubilant Pharmova Limited
1-A, Sector 16-A,
Noida-201 301, UP, India
Tel: +91 120 4361000
Fax: +91 120 4234895-96
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Regd Office:
Bhartiagram, Gajraula
Distt. Amroha - 244 223
UP, India
CIN : L24116UP1978PLC004624

JUBILANT PHARMOVA LIMITED
(CIN: L24116UP1978PLC004624)
Regd. Office: Bhartiagram, Gajraula, District
Amroha - 244 223 (U.P.)
Email: investors@jubl.com
Website: www.jubilantpharmova.com
Phone: +91-5924-267437

NOTICE

Notice is hereby given that the Forty-Fourth Annual General Meeting of the Members of Jubilant Pharmova Limited ('the Company') will be held on Monday, September 26, 2022 at 11.00 A.M. (IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM'), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon; and

   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of the Auditors thereon.

2. To declare dividend on equity shares for the financial year ended March 31, 2022.

3. To appoint a Director in place of Mr. Priyavrat Bhartia [DIN: 00020603], who retires by rotation and, being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Arjun Shanker Bhartia [DIN: 03019690], who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and the Appointment and Remuneration Policy of the Company, Mr. Ramamurthi Kumar [DIN: 09139426] who was appointed as an Additional Director of the Company effective from July 1, 2022 in terms of Section 161(1) of the Act and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and the Appointment and Remuneration Policy and the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions of the concerned authorities as may be necessary and subject to such other conditions and modifications as may be prescribed, imposed or suggested by such concerned authorities while granting such approvals, consents, permissions and sanctions and as may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise the powers conferred by this resolution), approval of members of the Company be and is hereby accorded to the appointment of Mr. Ramamurthi Kumar [DIN: 09139426] as Whole-time Director ('WTD') of the Company for a period of 3 (three) years effective from July 1, 2022 on the following terms and conditions including remuneration:

I. Salary, Allowances, Perquisites and Retiral Benefits

A. Basic Salary: ₹ 58,46,640 per annum.

B. HRA: ₹ 35,07,984 per annum.

C. Special & Other Allowances

He will be provided a special allowance upto ₹ 26,73,330 per annum and Car Allowance upto ₹ 6,75,000 per annum.

D. Annual Variable Pay

Performance linked Variable Pay of ₹ 43,84,615 shall be paid per annum at 100% of performance achievement. Payout of the Variable Pay would be determined based on the performance parameters laid out in the Company's Variable Pay Plan.

E. Long Term Incentive Plan

WTD shall be eligible for Long Term Incentive Plan including Stock Options as per policies of the Company.

F. Perquisites: Telephone at residence and mobile phone shall be provided as per the rules of the Company.

G. Retirals: Provident Fund, Gratuity, etc. as per the rules of the Company.

H. Others Benefits & Amenities

a) Leave Travel Allowance as per the rules of the Company.

b) Other amenities and benefits like car reimbursement, medical reimbursement, meal and gift coupons, etc. as per the rules of the Company.

c) Hard Furnishing, Personal Accident Insurance, Group Term Insurance and Mediclaim Insurance as per the rules of the Company.

II. Others

The appointment may be terminated by either party by giving prior written notice of three months to the other party of such termination or by paying Basic Salary in lieu of the notice period.

RESOLVED FURTHER THAT the Board be and is hereby authorized to vary, alter or enhance (collectively referred to as 'Variation') the remuneration payable to WTD from time to time, considering the performance of WTD, profitability of the Company and other relevant factors, during the tenure of his appointment to the extent permitted under Section 197 read with Schedule V and other applicable provisions, if any, of the Act.

RESOLVED FURTHER THAT the remuneration payable to WTD as mentioned above may exceed 5% of net profits of the Company and the aggregate remuneration paid to the Managing Director(s) and Whole-time Director(s) may exceed 10% of net profits of the Company, calculated in accordance with the provisions of Section 198 of the Act or any amendment thereto and where in any financial year during the tenure of appointment of WTD, the Company has no profit or its profits are inadequate, the remuneration mentioned above (including any revision in the remuneration that may be approved by the Board of Directors from time to time) be paid as minimum remuneration to WTD.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to do all such acts and deeds as it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution or otherwise as considered by the Board to be in the best interest of the Company."

By Order of the Board
For **Jubilant Pharmova Limited**

Place: Noida — **Rajiv Shah**
Dated: July 1, 2022 — Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act'), in respect of the Special Business to be transacted at the 44th Annual General Meeting ('AGM' or the 'Meeting') is annexed.

2. Brief profile and other information of the Directors proposed to be appointed/ re-appointed are annexed hereto.

3. Considering the Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as the 'MCA Circulars') and Securities and Exchange Board of India ('SEBI') vide its circular dated May 12, 2020, January 15, 2021 read with circular dated May 13, 2022 (collectively referred to as the 'SEBI Circulars'), permitted convening the AGM through VC or OAVM, without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), the AGM of the Company is being held through VC/ OAVM.

4. Since this AGM is being held without physical presence of the Members, the Proxy Form and the Attendance Slip are not annexed to this Notice.

5. Members attending the AGM through VC/ OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

7. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice, interalia, explaining the manner of attending AGM through VC/ OAVM and electronic voting (e-voting) along with the Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or Depository Participants or Registrar and Transfer Agent ('RTA') of the Company, M/s Alankit Assignments Limited. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.jubilantpharmova.com, website 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 on the website of National Securities Depository Limited ('NSDL') at www. evoting.nsdl.com.

8. Since the AGM will be held through VC/ OAVM without physical presence of the Members at a common venue, the route map is not attached.

9. The Notice of AGM and Annual Report will be sent to those Members/ beneficial owners whose names appear in the Register of Members / list of beneficiaries received from the Depositories as on Friday, August 19, 2022.

10. The dividend, as recommended by the Board of Directors of the Company (₹ 5 per equity share of ₹ 1 each), if declared at the Meeting, will be paid on or before Tuesday, October 25, 2022 to those members or their mandates:

    - whose names appear on the Company's Register of Members on Friday, August 12, 2022; and
    - whose names appear as Beneficial Owners as at the end of business hours on Friday, August 12, 2022 in the lists of Beneficial Owners furnished by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') in respect of shares held in dematerialised form.

11. Payment of Dividend Electronically

    Dividend will be paid, preferably through NECS, wherever such facility is available, under intimation to the members. In case dividend cannot be paid through NECS, it will be paid through dividend warrants/ demand drafts.

In cases where the payments to the members holding shares in dematerialized form are made by dividend warrants, particulars of bank account registered with their Depository Participants will be considered by the Company for printing the same on dividend warrant.

For those members who have not provided NECS details/ bank account details, the Company shall print the registered address of the members on the dividend warrant.

12. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the shareholders at the prescribed rates. The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act, 1961. It is to be noted that dividend for the FY 2021-22 is subject to declaration by the Members at the AGM. Upon declaration, this dividend will be taxable in the hands of the shareholders in the FY 2022-23 (Assessment Year 2023-24). Accordingly, all the details and declarations are required to be furnished for FY 2022-23 (Assessment Year 2023-24). The rate of TDS for various categories of shareholders along with the required documents are available at the website of the Company at www.jubilantpharmova.com.

    Kindly note that the aforesaid documents, duly executed, can be sent to the company as under:

    (A) Executed documents can be sent through email at pharmova.dividend@jubl.com;

    (B) Executed documents (in original) can be sent directly at the Corporate Office of the Company situated at Plot 1A, Sector 16A, Noida-201301.

    The aforesaid executed documents must reach the Company on or before September 19, 2022 in order to enable the Company to determine and deduct appropriate TDS/ withholding tax on payment of dividend. It is to be duly noted that the Members sending documents through email are also required to send the executed documents (in original) at the Corporate Office of the Company.

13. Bank Mandate

    Members who hold shares in physical form are requested to intimate the Company's RTA under the signature of the Sole/ First holder, the following information relating to their bank accounts to enable the Company to pay the dividend electronically:

    - Bank account number;
    - Account type, whether savings or current;
    - Name of the Bank and complete address of the branch with PIN Code;
    - MICR and IFSC Codes; and
    - Name of Sole/ First holder.

14. Change of Address or Other Particulars

    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:

    - The Registrar and Transfer Agent ('RTA') of the Company in respect of shares held in physical form; and
    - The Depository Participants in respect of shares held in electronic form.

15. Pursuant to Section 72 of the Act, read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, member(s) of the Company may nominate a person to whom the shares held by him/ them shall vest in the event of his/ their unfortunate death. Accordingly, members holding shares in physical form, desirous of availing this facility may submit nomination in Form SH-13 to RTA of the Company. In respect of shares held in dematerialised form, the nomination form may be filed with the concerned Depository Participant.

16. Dividends pertaining to the Financial Years upto and including 1993-94, remaining unpaid/ unclaimed, have been transferred to the General Revenue Account of the Central Government. Members having valid claims of unpaid/ unclaimed dividend for any of these Financial Years may approach the Investor Education and Protection Fund Authority ('IEPF Authority').

    Dividends pertaining to the Financial Years 1994-95 to 2013-14 remaining unpaid/ unclaimed, have been transferred to the Investor Education and Protection Fund (the 'Fund'). No claims shall lie against the Company for the amounts transferred as above. Members having valid claims of unpaid/ unclaimed dividend for any of these financial years may approach the IEPF Authority.

    Members may kindly note that unpaid/ unclaimed dividend for the year 2014-15 is due for transfer to the Fund on October 3, 2022. Members are, therefore, requested to lodge their claims with RTA, well in advance to avoid any hardship. Once transferred, Members having valid claims of unpaid/ unclaimed dividend for the year 2014-15 may approach the IEPF Authority.

    Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more, in favour of the IEPF Authority.

    In accordance with the aforesaid provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred 20,04,370 shares, to the Fund, in respect of which dividend has not been paid or claimed by the members for 7 (seven) consecutive years or more with respect to the financial years 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14. The Company shall be initiating similar action in respect of dividend declared for the financial year 2014-15. Members are advised to visit the web-link: https://www.jubilantpharmova.com/investors/unclaimed-dividend-and-shares to ascertain details of the shares to be transferred to the IEPF Authority.

17. The Company has a dedicated E-mail address investors@jubl.com for members to e-mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.

The Company's website www.jubilantpharmova.com has a dedicated section on Investors. It also answers your Frequently Asked Questions (FAQs).

18. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form effective from April 1, 2019. Members are, therefore, requested to dematerialise their shareholding, if not already done, to avoid inconvenience in future.

19. The Company had sub-divided each equity share of ₹ 5 into five equity shares of ₹ 1 each effective from March 24, 2006. Many members had not surrendered their old ₹ 10 denominated share certificates of Ramganga Fertilizers Limited/ Vam Organic Chemicals Limited/ Jubilant Organosys Limited or ₹ 5 denominated share certificates of Jubilant Organosys Limited, for exchange with new ₹ 1 denominated share certificates.

    Pursuant to Clause 5A of the erstwhile Listing Agreement with the Stock Exchanges, members who had not claimed share certificates as above were sent three reminder letters requesting them to claim their equity shares. Thereafter, in terms of the erstwhile Listing Agreement, 27,31,320 equity shares pertaining to 4,845 members, which remained unclaimed, were transferred during the year 2011-12 to Jubilant Pharmova Limited-Unclaimed Suspense Account. During the year 2021-22, 8,655 equity shares were transferred to the respective members and 1,460 equity shares were transferred to the Fund. The voting rights on the remaining shares lying in this Account will remain frozen till the rightful owners of such shares claim the shares. Members may approach RTA to get their shares released from this Account.

20. All share and dividend related correspondence may be sent to RTA at the following address:

    Alankit Assignments Limited
    (Unit: Jubilant Pharmova Limited)
    205-208, Anar Kali Complex, Jhandewalan Extension,
    New Delhi - 110 055, India
    Phone: +91-11-4254 1234
    E-mail: rta@alankit.com

    In all correspondence, please quote your DP ID & Client ID or Folio Number.

21. Your feedback/ comments for further improvement of shareholder services are welcome. You may fill up and submit the Investor Feedback Form online on our website www.jubilantpharmova.com.

22. Relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement are available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM and during the AGM. Members seeking to inspect such documents can send an email to investors@jubl.com.

23. During the AGM, Members may access scanned copy of

    (i) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; (ii) the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and (iii) Certificate that the Stock Option Plan and General Employee Benefits Scheme have been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (iv) or any other documents as may be required, upon Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com.

24. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

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

       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.jubilantpharmova.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 from the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

    2. The Members will be allowed to join the AGM through VC/ OAVM facility, thirty (30) minutes before the scheduled time of commencement of the AGM and shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 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, Remuneration and Compensation Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-Voting period commences at 9:00 a.m. (IST) on Friday, September 23, 2022 and ends at 5:00 p.m. (IST) on Sunday, September 25, 2022. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e. Monday, September 19, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, September 19, 2022.

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

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 the Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email ID in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

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

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password options available at above-mentioned 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 toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia. com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for 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?

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

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

3. 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.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

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**************
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:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

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

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose Email IDs are not registered.**

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

   a) Click on "**Forgot User Details/ Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by the 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 General 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.

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to upload their Board Resolution / Power of Attorney / Authority Letter by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in your login or send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjaygrover7@gmail.com or investors@jubl.com with a copy marked to evoting@nsdl. co.in.

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

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Assistant Vice President at evoting@nsdl.co.in.

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

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@jubl.com or rta@alankit.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@jubl.com or rta@alankit.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 the 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 cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

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.

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 link" placed under "**Join meeting**" menu against the 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 the 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 the 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 the aforesaid glitches.

5. 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 five (5) 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 investors@jubl.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 five (5) days before the AGM mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at investors@ jubl.com. These queries will be replied by the Company suitably by email.

6. In case of any queries or grievances relating to e-Voting, you may contact Mr. Amit Vishal, Assistant Vice President, 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.: 18001020900/ 1800224430 or Mr. J.K. Singla, Senior Manager, M/s. Alankit Assignments Limited, 205-208, Anar Kali Complex, Jhandewalan Extension, New Delhi-110 055, India through email at rta@alankit.com or on Telephone No.: 011-42541234.

Other Instructions

1. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Monday, September 19, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www. evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Monday, September 19, 2022 may follow the steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

2. The Board of Directors has appointed Mr. Devesh Kumar Vasisht (CP No. 13700), Partner of M/s Sanjay Grover & Associates, Company Secretaries as 'Scrutinizer' to scrutinize the process of e-voting during the AGM and remote e-voting held before the AGM in a fair and transparent manner.

3. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during AGM and will make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer'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 same and declare the result of the voting forthwith.

4. The results of voting will be declared within two working days from the conclusion of the AGM i.e. on or before September 28, 2022 and the result declared along with the report of the Scrutinizer shall be placed on the website of the Company www.jubilantpharmova.com and on the website of NSDL immediately after declaration of result by the Chairman or a person authorised by him and the results shall also be communicated to the Stock Exchanges.

5. The recorded transcript of the AGM shall be placed on the Company's website www.jubilantpharmova.com in the Investors Section, as soon as possible after conclusion of AGM.

6. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the 44th AGM scheduled to be held on Monday, September 26, 2022.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NOS. 5 AND 6

ITEM NOS. 5 and 6

In terms of the Appointment and Remuneration Policy of the Company (the 'Policy') and upon recommendation of the Nomination, Remuneration and Compensation Committee (the 'NRC Committee'), the Board of Directors has appointed Mr. Ramamurthi Kumar as an Additional Director of the Company, effective from July 1, 2022. Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the 'Act'), Mr. Kumar holds office upto the date of the ensuing Annual General Meeting ('AGM') and is eligible for appointment as Director of the Company.

Notice under Section 160(1) of the Act has been received from a Member intending to propose the candidature of Mr. Ramamurthi Kumar for appointment as Director of the Company. Mr. Kumar has given his consent to act as Director and has further confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act nor debarred by any regulatory authority to act as a Director. He would be liable to retire by rotation.

Further, in terms of the Policy and pursuant to the recommendation of the NRC Committee, the Board has approved the appointment of Mr. Ramamurthi Kumar as Whole-time Director ('WTD') of the Company for a period of three years effective from July 1, 2022 on the terms and conditions including remuneration set out in the Notice. This is subject to applicable provisions of the Act and rules made thereunder.

On a consolidated basis, the Company continues on its growth path and has healthy revenues and profitability. On a standalone basis, the profit of the Company is on a lower side as the Company has its business and profitability in the subsidiaries and not in the

Company itself. While the Active Pharmaceutical Ingredients ('API') business of Jubilant Generics Limited, a wholly-owned subsidiary, has demerged into the Company effective from July 1, 2022, the aggregate Managerial Remuneration of the Managing Director and Whole-time Directors may exceed 10% of the Standalone net profits of the Company.

Section 197 of the Companies Act, 2013 (the 'Act'), provides that remuneration in excess of 10% of net profits may be paid to the Managing Director and Whole-time Directors by obtaining shareholders' approval by Special Resolution. Section 197 of the Act further provides that in case of no profits or inadequate profits, a company may pay remuneration to the Managing Director/ Whole-time Director pursuant to Schedule V to the Act, subject to approval of the shareholders by Special Resolution which would be valid for a period of 3 years.

The Board of Directors of the Company shall have the authority to alter, vary and enhance the remuneration of WTD from time to time, considering the performance of WTD, profitability of the Company and other relevant factors. If the Company has no profit or its profits are inadequate in any financial year during the period of appointment of WTD, remuneration stated above (including any revision in the remuneration as may be approved by the Board of Directors from time to time) shall be paid as minimum remuneration to WTD. Also, the Variable Pay shall be paid to the appointee as per Variable Pay Plan of the Company. The performance parameters of the Variable Pay Plan broadly include performance of the Company which include key finance matrices like EBITDA, ROCE and Operating Cash Flow and performance of the employee.

Relevant information and disclosures prescribed in Schedule V to the Act are given below:

I. GENERAL INFORMATION

1. Nature of Industry

Jubilant Pharmova Limited is a company engaged in Pharmaceuticals, Contract Research and Development Services and Proprietary Novel Drugs businesses. Pharmaceuticals business through Jubilant Pharma Limited Singapore (JPL) is engaged in manufacturing and supply of Radiopharmaceuticals with a network of 48 radio-pharmacies in the US, Allergy Immunotherapy, Contract Manufacturing of Sterile Injectables and Non-sterile products, Solid Dosage Formulations and APIs through six manufacturing facilities that cater to the regulated market including USA, Europe and other geographies. Jubilant Biosys Limited provides contract research and development services through two world class research centers in Bangalore and Noida in India. Jubilant Therapeutics is involved in Proprietary Novel Drugs business and is an innovative biopharmaceutical company developing breakthrough therapies in the area of oncology and auto-immune disorders. Jubilant Pharmova Limited has a team of over 6,000 multicultural people across the globe. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals companies globally.

2. Date of Commencement of Commercial Production

Commercial operations commenced in the year 1982.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not applicable

4. Financial Performance based on given indicators

As per Standalone Audited Financials

(₹ in Million)

Particulars	FY 2021-22
Paid up Capital	159.30
Reserves excluding Revaluation Reserves	12,658.88
Total Revenue	2,136.17
Total Expenses	1,313.69
Profit before Tax	822.48
Tax Expenses	37.45
Profit after Tax	785.03

5. Foreign investments or collaborators, if any

The Company has not entered into any foreign collaboration and no direct capital investment has been made in the Company in the last three financial years. Foreign investors, mainly comprising NRIs, FPIs, etc. are investors in the Company on account of past issuance of securities/secondary market purchase of the shares of the Company.

II. INFORMATION ABOUT THE APPOINTEE

1. Background details

Mr. Ramamurthi Kumar, 58 years, is MBA from Bharathidasan Institute of Management, Graduate in General Laws and an Associate Member of the Institute of Cost & Management Accountants of India. He has undergone senior management programs in ISB and IIM - Bangalore and Calcutta. Mr. Kumar has 36 years of experience, both in the Indian and global markets. Prior to joining Jubilant, Mr. Kumar was associated majorly with SRF Limited and the Sanmar Group.

Mr. Kumar has handled multiple functions such as Accounts, Finance, Indirect Taxation, Strategic Planning, M&A, Sales & Marketing, Global Sourcing and International Business Development. He has diverse experience in managing businesses in Technical Textiles, PVC & Plastics, Specialty Chemicals, Nutrition & Health Solutions and Pharma.

2. Past remuneration

Mr. Ramamurthi Kumar has been appointed as WTD effective from July 1, 2022. Hence, not applicable.

3. Recognition or awards: Not applicable.

4. Job profile and his suitability

Mr. Ramamurthi Kumar has been appointed as WTD effective from July 1, 2022 and is entrusted with the overall responsibility of the API plant at Nanjangud, Karnataka, subject to superintendence, control and directions of the Board. Mr. Kumar has 35 years of experience of Accounts, Finance, Indirect Taxation, Strategic Planning, M&A, Sales & Marketing, Global Sourcing and International Business Development.

Taking into consideration the qualifications as well as varied and rich experience, it is felt that the Company would benefit under his leadership and guidance.

5. **Remuneration proposed**

   As mentioned in the resolution.

6. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person**

   Keeping in view the profile and the position of WTD and rich knowledge and experience of the appointee, the remuneration is fully justifiable and comparable to that prevailing in the industry.

7. **Pecuniary relationship, directly or indirectly, with the Company or relationship with the managerial personnel, if any**

   Besides the remuneration proposed, Mr. Ramamurthi Kumar does not have any pecuniary relationship with the Company. Further, he is not related to any managerial personnel of the Company.

III. OTHER INFORMATION

1. **Reasons of loss or inadequate profits**

   Please refer the Explanatory Statement above, pursuant to the provisions of Section 102 of the Companies Act, 2013 for Item No. 6.

   On a consolidated basis, the Company continues on its growth path and has healthy revenues and profitability. On a standalone basis, the profit of the Company is on a lower side as the Company has its business and profitability in the on subsidiaries and not in the Company itself.

   The Special Resolution (No. 6) is, therefore, proposed pursuant to Sections 196, 197, 198 of the Companies Act, 2013 and Schedule V thereto.

2. **Steps taken or proposed to be taken for improvement**

   The management has adopted focused business strategies in all spheres of business activities to improve the profitability of the Company. Further, the API business of Jubilant Generics Limited, a wholly-owned subsidiary, has demerged into the Company effective from July 1, 2022, which may result in improved profitability on a standalone basis.

3. **Expected increase in productivity and profits in measurable terms**

   The Company continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving sustained revenue growth in the future.

IV. Disclosures

Mr. Ramamurthi Kumar has been appointed as WTD effective from July 1, 2022. The elements of remuneration package, details of fixed component and performance linked incentives, performance criteria as well as notice period are mentioned in the draft resolution and explanatory statement forming part of this Notice. Appointment of WTD is contractual. No severance fee is payable to WTD.

Memorandum setting out the terms and conditions of appointment including remuneration is available for inspection electronically without any fee by the members from the date of circulation of this Notice up to the date of AGM and during the AGM. Members who wish to inspect memorandum can send an email at the e-mail address: investors@jubl.com.

The disclosures prescribed under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are provided in Annexure-A of the Notice.

Except Mr. Ramamurthi Kumar and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 and 6.

The Board of Directors recommends the resolutions set out at Item Nos. 5 and 6 of the Notice for approval of the members by way of Ordinary Resolution and Special Resolution, respectively.

ANNEXURE-A

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India regarding the Directors proposed to be appointed/re-appointed

1. **Mr. Priyavrat Bhartia**

   Mr. Priyavrat Bhartia, 45 years, has around 25 years of industry experience. He holds a Bachelors' Degree in Economics from Dartmouth College, USA and Masters in Business Administration from Stanford University, USA.

   He is on the Board of the Company since May 23, 2017 and holds 3,085 equity shares of the Company. He also holds directorships in the following companies/bodies corporate:

   - Jubilant Ingrevia Limited
   - HT Media Limited
   - Hindustan Media Ventures Limited
   - The Hindustan Times Limited
   - Digicontent Limited
   - Jubilant Industries Limited
   - Jubilant Agri and Consumer Products Limited
   - Jubilant Realty Private Limited
   - Earthstone Holding (Two) Private Limited
   - SSBPB Investment Holding Private Limited
   - SPB Trustee Company Private Limited
   - SSP Trustee Company Private Limited
   - Jubilant Enpro Private Limited
   - PSB Trustee Company Private Limited
   - ARS Trustee Company Private Limited
   - SB Trusteeship Services Private Limited

Further, Mr. Priyavrat Bhartia has not resigned from the Board of Directors of any listed company in the past 3 years. Names of the listed companies in which he holds directorships are given in the Corporate Governance Report forming part of the Annual Report. Details of his Committee Chairmanship/membership of Indian public companies are given below:

Sr. No.	Name of Company	Name of Committee	Position Held (Chairperson/Member)
1.	Jubilant Pharmova Limited	Sustainability & CSR Committee	Member
		Audit Committee	Member
		Finance Committee	Member
		Fund Raising committee	Member
		Capital Issue Committee	Member
2.	Jubilant Ingrevia Limited	Risk Management Committee	Member
		Sustainability & CSR Committee	Member
		Finance Committee	Member
3.	HT Media Limited	Corporate Social Responsibility Committee	Member
		Nomination and Remuneration Committee	Member
		Risk Management Committee	Member
		Stakeholder Relationship Committee	Member
		Investment Committee	Member
		Banking & Finance Committee	Member
4.	The Hindustan Times Limited	Audit Committee	Member
		Nomination Committee	Member
		Corporate Social Responsibility Committee	Member
5.	Jubilant Industries Limited	Nomination Remuneration and Compensation Committee	Member
		Stakeholders Relationship Committee	Member
		Sustainability & Corporate Social Responsibility Committee	Chairman
		Restructuring Committee	Chairman
		Finance Committee	Chairman
6.	Jubilant Agri and Consumer Products Limited	Restructuring Committee	Chairman
		Finance Committee	Chairman
		Nomination and Remuneration Committee	Member
		Sustainability & Corporate Social Responsibility Committee	Chairman
7.	Hindustan Media Ventures Limited	Stakeholder Relationship Committee	Member
		Investment & Banking Committee	Chairman
		Corporate Social Responsibility Committee	Member
8.	Digicontent Limited	Banking & Finance Committee	Member

During the Financial Year ended March 31, 2022, Mr. Priyavrat Bhartia attended all five meetings of the Board of Directors of the Company held on April 1, 2021, June 4, 2021, July 23, 2021, October 22, 2021 and February 4, 2022.

On re-appointment, Mr. Priyavrat Bhartia shall be liable to retire by rotation. He is related to Mr. Shyam S Bhartia, Chairman of the Company, being his father. He is not related to any other Director or Key Managerial Personnel of the Company. He has opted not to take any commission or sitting fees from the Company during the Financial Year 2021-22.

2. Mr. Arjun Shanker Bhartia

Mr. Arjun Shanker Bhartia, 35 years, graduated from Brown University, USA in 2008, has around 11 years of industry experience. He has worked as Associate Consultant with Bain & Company during 2008-2010 and as an Analyst in varied Industries. He is a Whole-time Director of Jubilant Enpro Private Limited.

He is on the Board of the Company since May 23, 2017 and does not hold any shares of the Company by himself or for any other person on a beneficial basis. He holds directorships in the following companies/bodies corporate:

- Jubilant Ingrevia Limited
- Jubilant Consumer Private Limited
- Jubilant Enpro Private Limited

Further, Mr. Arjun Shanker Bhartia has not resigned from the Board of Directors of any listed company in the past 3 years. Names of the listed companies in which he holds directorships are given in the Corporate Governance Report forming part of the Annual Report. Details of his Committee Chairmanship/membership of Indian public companies are given below:

Sr. No.	Name of Company	Name of Committee	Position Held (Chairperson/Member)
1.	Jubilant Pharmova Limited	Sustainability & CSR Committee	Member
		Finance Committee	Member
		Fund Raising Committee	Member
		Capital Issue Committee	Member
2.	Jubilant Ingrevia Limited	Audit Committee	Member
		Sustainability & CSR Committee	Member
		Risk Management Committee	Member
		Finance Committee	Member

During the Financial Year ended March 31, 2022, Mr. Arjun Shanker Bhartia attended all five meetings of the Board of Directors of the Company held on April 1, 2021, June 4, 2021, July 23, 2021, October 22, 2021 and February 4, 2022.

On re-appointment, Mr. Arjun Shanker Bhartia shall be liable to retire by rotation. He is related to Mr. Hari S Bhartia, Co-Chairman and Managing Director of the Company, being his father. He is not related to any other Director or Key Managerial Personnel of the Company. He has opted not to take any commission or sitting fees from the Company during the Financial Year 2021-22.

3. Mr. Ramamurthi Kumar

Mr. Ramamurthi Kumar, 58 years, is MBA from Bharathidasan Institute of Management, Graduate in General Laws and an Associate Member of the Institute of Cost & Management Accountants of India. He has undergone senior management programs in ISB and IIM - Bangalore and Calcutta. Mr. Kumar has 36 years of experience, both in the Indian and global markets. Prior to joining Jubilant, Mr. Kumar was associated majorly with SRF Limited and the Sanmar Group.

Mr. Kumar has handled multiple functions such as Accounts, Finance, Indirect Taxation, Strategic Planning, M&A, Sales & Marketing, Global Sourcing and International Business Development. He has diverse experience in managing businesses in Technical Textiles, PVC & Plastics, Specialty Chemicals, Nutrition & Health Solutions and Pharma.

Mr. Kumar is working with Jubilant since 2014. He is President-Pharma & Head-API. He oversees the API business operations at Nanjangud, Karnataka.

He is on the Board of the Company since July 1, 2022. He is also non-executive director of Jubilant Agro Sciences Limited and does not receive any remuneration from the said company. Mr. Kumar is not a member of any committee of the Board of Directors of any company. Further, Mr. Kumar has not resigned from the Board of Directors of any listed company in the past 3 years. He does not hold any shares of the Company.

Mr. Ramamurthi Kumar was appointed as an additional director effective from July 1, 2022 and holds the office upto the date of ensuing Annual General Meeting. Accordingly, disclosures with respect to the Board meetings attended and remuneration paid during Financial Year 2021-22 are not applicable. The terms and conditions of his appointment as Whole-time Director including remuneration are given in the Notice of the AGM.

Mr. Kumar shall be liable to retire by rotation. He is not related to any Director or Key Managerial Personnel of the Company.

By Order of the Board
For **Jubilant Pharmova Limited**

Place: Noida
Date: July 1, 2022

Rajiv Shah
Company Secretary

Jubilant Pharmova Limited
Annual Report **2021-22**

JUBILANT PHARMOVA

Leading across global markets

People

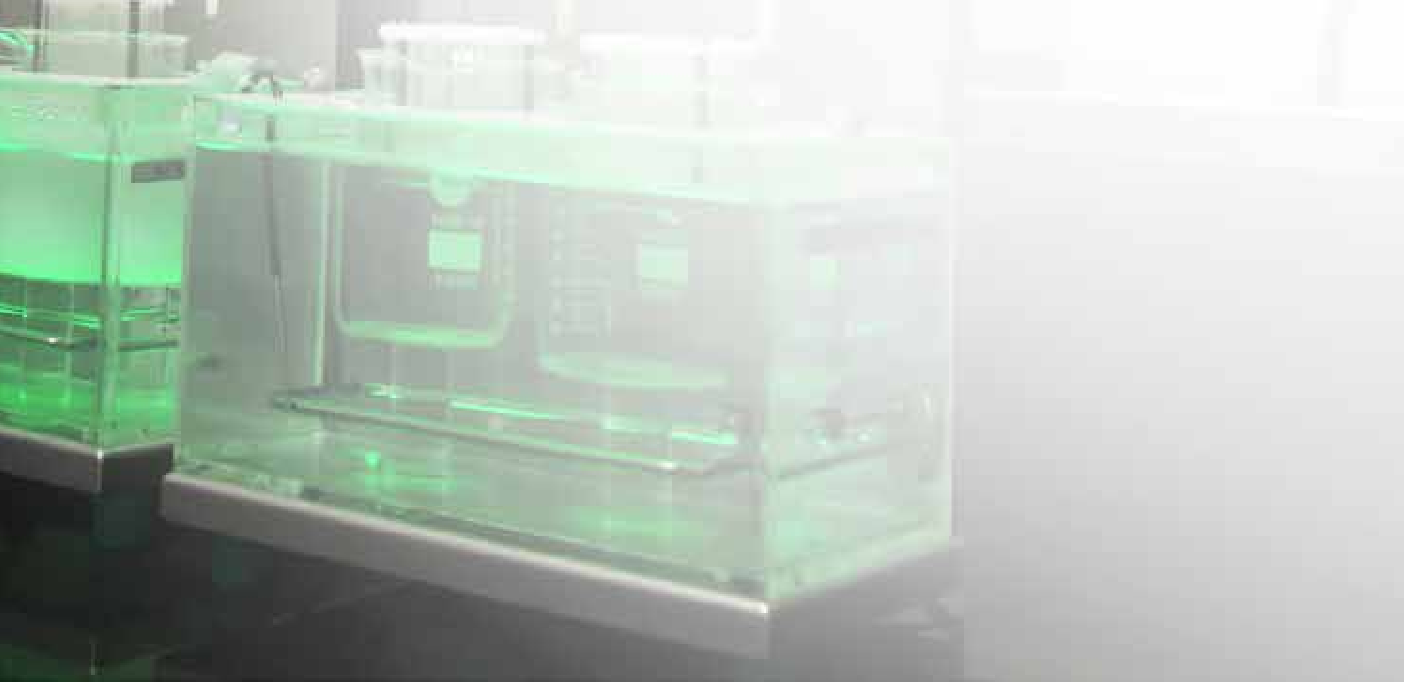
Manufacturing

R&D

Business Excellence

Supply Chain

Contents



Board of **Directors**

Shyam S. Bhartia
Chairman

Hari S. Bhartia
Co-Chairman and Managing Director

S. Sridhar
Independent Director

Sudha Pillai
Independent Director

Dr. Ashok Misra
Independent Director

Sushil Kumar Roongta
Independent Director

Vivek Mehra
Independent Director

Arun Seth
Independent Director

Priyavrat Bhartia
Director

Arjun Shanker Bhartia
Director

Arvind Chokhany
Group Chief Financial Officer
and Whole-time Director

R. Kumar
Whole-time Director

Senior **Leadership Team**

Shyam S. Bhartia
Chairman

42 years of industry experience in pharma, specialty chemicals, foods, oil and gas, aerospace and IT

Hari S. Bhartia
Co-Chairman and Managing Director

36 years of industry experience in pharma, specialty chemicals, foods, oil and gas, aerospace and IT

Arvind Chokhany
Group Chief Financial Officer and Whole-time Director

26 years of industry experience

Rohini Seth
Chief Human Resources Officer

27 years of industry experience

Pramod Yadav
CEO –
Jubilant Pharma

35 years of industry experience

Dr. Syed Kazmi
President & CEO –
Jubilant Therapeutics Inc.

29 years of industry experience

Giuliano Perfetti
CEO – CRDMO
(Jubilant Biosys Limited and APIs & CDMO)

22 years of industry experience

Shyam S. Bhartia
Chairman

Hari S. Bhartia
Co-Chairman and Managing Director

Chairmen's **Message**

Dear Fellow Shareholders,

In FY 2022, we reported stable revenues, despite COVID-19 related challenges, due to the diverse range of our businesses. While our Specialty Pharmaceuticals business reported improved performance on account of recovery in Radiopharma and growth in Allergy Immunotherapy businesses, the Contract Manufacturing of Sterile Injectables and Non-sterile Products (CMO) business witnessed lower sales due to tapering of COVID-19 related opportunities. Generics and API businesses reported lower performance vs. last year. While Generics business was impacted due to the import alert, the API business witnessed lower volumes on account of the asset upgradation activity. Our Contract Research and Development Services businesses continued to report robust growth during the year.

During the financial year, world's economic and social health infrastructures continued to be affected by the steep rise in raw material prices, supply chain disruptions in China and globally and the spread of another wave of COVID-19 led by the Omicron variant at the start of 2022. Towards the end of the year, things were further disrupted by the Russia-Ukraine war. These macro events adversely impacted the global economic output.

As per IMF's July 2022 World Economic Outlook report, global growth is projected to decline from an estimated 6.1% in 2021 to 2.9% in 2022. The ongoing Russia-Ukraine war has significantly contributed to the slowdown in global economic growth in 2022 and the global inflationary trends. Inflation levels in the US and several developed economies are at a several decade high and have risen sharply in developing markets from February 2022 onwards. India too has witnessed a spike in inflation and weakening in economic outlook for the year as rising inflation, supply chain disruptions and geopolitical tensions taper recovery. As per World Bank's June 2022 forecast, the Indian economy is expected to grow at 6.1% in FY 2023 down from the 8.7% expansion in the previous financial year.

Business Objectives

We are an integrated global pharmaceuticals Company present across the entire pharmaceutical value chain. We take pride in our positioning as one-stop-shop in the global pharmaceutical market supplying products and services to customers in over 85 countries. Our diversified businesses are segmented in three major verticals namely 'Pharmaceuticals', 'Contract Research and Development Services' and 'Proprietary Novel Drugs'. We are globally recognised as a 'Partner of Choice' by leading pharmaceutical companies and our strength lies in the unique offerings of pharmaceuticals and services, especially in Specialty Products. We are engaged in continuous improvement of products and processes to enhance quality and cost competitiveness in order to build value for our customers. As a responsible corporate citizen, we are committed to safeguarding the environment and maintaining a triple bottom line approach of sustainability through delivering a high social, environmental and economic performance.

The Pharmaceuticals segment is engaged in manufacturing and supply of Radiopharmaceuticals with a network of 48 Radiopharmacies in the US, Allergy Immunotherapy, Active Pharmaceutical Ingredients (APIs), Solid Dosage Formulations and in the Contract Manufacturing of Sterile and Non-Sterile products (CMO) through six manufacturing facilities that cater to all the regulated markets including the US, Europe and other geographies. We have created several competencies in the segment with our strong R&D capabilities, including an innovative product portfolio in Specialty Pharmaceuticals with high entry barriers and limited competition, global competitive edge due to low-cost from vertically integrated operations, market leadership in key products and business segments. These factors have enabled us to deliver robust results in the past and has ensured that we have a strong base for future growth in our Pharmaceuticals segment.

The 'Contract Research and Development Services' segment through Jubilant Biosys Limited provides collaborative research and partnership for Drug Discovery through two world class research centers in India. The business has doubled its capacity at the Greater Noida facility, which became operational in August 2021.

In the 'Proprietary Novel Drugs', our lead program – LSD1/HDAC6 inhibitor has successfully started Phase I/ II trials. Additional IND filings with US FDA for pipeline programs are expected to follow in FY 2023.

From Q1 FY23, we have reorganised our reporting segments and new segment reporting structure is as below:

1. Radiopharma
2. Allergy Immunotherapy
3. CDMO Sterile Injectables
4. Contract Research Development and Manufacturing Organisation (CRDMO)
5. Generics
6. Proprietary Novel Drugs

In July 2021, the Board of Directors of Jubilant Pharmova Limited (JPM) approved demerger of the Active Pharmaceutical Ingredients (APIs) undertaking of Jubilant Generics Limited (JGL) and vesting of the same with JPM, on a going concern basis, to be implemented through a scheme of arrangement between JGL and JPM and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. In May 2022, the Company received NCLT approval for demerger scheme of APIs business. On 1st July 2022, we filed the NCLT order that approved the scheme of arrangement with registrar of companies, immediately after which the demerger became effective with appointed date as April 1, 2022.

The business rationale behind this reorganisation plan are as below:

- Creation of a small molecule discovery and chemistry focused vertical present across value chain of CRO & CDMO of Innovative and Generic APIs
- Synergies between CRO & CDMO businesses can be realised more effectively in a holding / subsidiary company structure as compared to fellow subsidiary structure
- This would also help in supporting our customers for their needs from early stage of research to commercialisation of active ingredients and will provide competitive edge to this business

Performance Review

Total Revenue from Operations in FY 2022 stood at ₹61,302 million vs. ₹60,985 million in FY 2021. International revenue was at ₹58,025 million, with a share of 95% to the total revenue.

Pharmaceuticals revenue for FY 2022 came in at ₹56,507 million vs. ₹57,897 million in FY 2021, accounting for 92% of the total revenue.

Contract Research and Development Services segment's revenue improved to ₹4,574 million from ₹3,052 million in FY 2021, resulting in 7% share of total revenue.

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) was at ₹11,676 million vs. ₹14,141 million, with a margin of 19.0% as compared with 23.2% in FY 2021.

Depreciation and amortisation in FY 2022 was at ₹3,817 million vs. ₹3,490 million in FY 2021. Finance cost stood at ₹1,455 million vs. ₹1,841 million last year.

Profit After Tax came in at ₹4,130 million as against ₹5,739 million in FY 2021 with an Earnings Per Share (EPS) of ₹26.00.

In our Proprietary Novel Drugs business segment, we are developing breakthrough therapies in the area of oncology and auto-immune disorders.

Dividend

The Board has proposed a dividend of 500% per equity share of ₹1 face value for the year.

Outlook

The Company has established strong position and has robust growth levers in its Specialty Pharmaceuticals and CMO businesses and plans to invest to augment capacities and capabilities in these businesses to drive growth over the medium term. In our Generics business we are undertaking remediation activities to resolve the regulatory status at the Roorkee facility and in our API business we are undertaking asset upgradations to increase production volumes. In our Contract Research and Development Services business, we are expanding capacities to drive growth over the medium term. We continue to stay focused on our strategy of being closer to the customer and of further strengthening our leadership position in defined businesses.

Conclusion

We would like to thank all our valued stakeholders, including our customers, vendors, lenders and shareholders for continuing their support and upholding their confidence and trust in us. We remain deeply grateful to all our employees globally for their contribution and commitment to the Company.

Warm regards,

Shyam S. Bhartia
Chairman

Hari S. Bhartia
Co-Chairman and Managing Director

Management **Discussion and Analysis**

Cautionary Statement

Statements in the Annual Report, particularly those, which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute forward-looking statements within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ significantly.

Key Economic and Industry Trends

During the financial year, the world's economic and social health infrastructures continued to be affected by the steep rise in raw material prices, supply chain disruptions in China and globally and the spread of another wave of COVID-19 led by the Omicron variant at the start of 2022. Towards the end of the financial year, things were further disrupted by the Russia-Ukraine war. These macro events adversely impacted the global economic output.

As per IMF's July 2022 World Economic Outlook report, global growth is projected to decline from an estimated 6.1% in 2021 to 2.9% in 2022. The ongoing Russia-Ukraine war has significantly contributed to the slowdown in global economic growth in 2022 and the global inflationary trends. Inflation levels in the US and several developed economies are at several decade high and have risen sharply in developing markets from February 2022 onwards. India too has witnessed a spike in inflation and weakening in the economic outlook for the year as rising inflation, supply chain disruptions and geopolitical tensions taper recovery. As per World Bank's June 2022 forecast, the Indian economy is expected to grow at 6.1% in FY 2023 down from the 8.7% expansion in the previous financial year.

The COVID-19 pandemic was one of the most challenging global public health crisis in about a century and through it emerged the resilience of global health systems and the ability of Pharmaceutical companies to deliver COVID-19 vaccines at a record pace, which helped in moderating the severity of the disease and ended up saving millions of lives globally.

COVID-19 vaccinations are likely to be the largest driver of medicine spending from 2022 to 2027 driven by the need for rapid inoculation of a large number of people followed by frequent booster shots. As per IQVIA, spending on COVID-19 vaccines and novel therapeutics are expected to generate more than US$ 300 billion in spending between 2020-2026 and

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the outlook is a cumulative US$ 133 billion higher than projected prior to the pandemic. The global medicine market is expected to grow at 3–6% CAGR between 2020-2026, to reach about US$ 1.8 trillion in total market size in 2026, including spending on COVID-19 vaccines.

Amongst categories, oncology and immunology are forecast to witness higher growth and deliver 9–12% and 6–9% CAGR through 2026, respectively, driven by significant increases in new treatments and medicine use. Oncology is projected to add 100 new treatments over five years, contributing nearly US$ 120 billion in new spending and bringing the total market to more than US$ 300 billion in 2026.

The Indian pharma industry has played an exemplary role in the battle against the COVID-19 pandemic by developing and supplying COVID-19 vaccines and medicines globally over the past two years. Indian vaccine industry developed the COVID-19 vaccine with indigenous technology in collaboration with research institutions such as ICMR and NIV within record times.

Despite global trade disruptions and a drop in demand for COVID-19 related medicines, India's pharmaceutical exports grew in 2021-22 to US$ 24.6 billion up from US$ 24.4 billion in the previous year. In the year, 2020-21, Indian Pharma exports had registered a sharp 18.8% YoY growth amid the COVID-19 pandemic.

Indian pharma industry has created a strong position in the global pharmaceuticals market with 60% of the world's vaccines and 20% of generic medicines coming from India. India ranks 3rd worldwide for production by volume and 14th by value.

Pharmaceuticals Segment

The Pharmaceuticals segment is engaged in the manufacturing and supply of Radiopharmaceuticals with a network of 48 Radiopharmacies in the US, Allergy Immunotherapy, Contract Manufacturing of Sterile Injectables and Non-sterile products, Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations through six manufacturing facilities that cater to all the regulated markets including the US, Europe and other geographies. The segment contributed 92% to the Total Revenue from Operations. The revenue generated from this segment stood at ₹56,507 million in FY 2022 as compared to ₹57,897 million in FY 2021.

Specialty Pharmaceuticals

Our Specialty Pharmaceuticals business includes our Radiopharma (Radiopharmaceuticals and Radiopharmacies) and Allergy Immunotherapy businesses. Revenue for this segment stood at ₹26,122 million in FY 2022 vs. ₹23,035 million in FY 2021 with 46% contribution to total Pharmaceuticals segment revenues.

Radiopharma

The Radiopharma business comprises development, manufacturing and commercialisation of products through Radiopharmaceuticals business and distribution through the Radiopharmacies business. Our Radiopharmaceuticals products are used in the diagnosis, treatment and monitoring of various diseases. We specialise in lung, thyroid, bone and cardiac imaging products as well as thyroid disease therapy. It is our vision to be a leading player in nuclear medicine by demonstrating robust quality, value to our customers, sustainability to physicians/their patients and by building a healthy pipeline of products.

Jubilant's Radiopharmacies business is the second largest radiopharmacy network in the US with 48 pharmacies distributing nuclear medicine products to the largest national Group Purchasing Organisations (GPOs), regional health systems, stand-alone imaging centres, cardiologists and hospitals. This business has over 30 years of experience in serving the US nuclear medicine community and its current geographical reach enables it to serve over four million patients yearly. The Radiopharmacies business complements the Company's niche Radiopharmaceuticals business and provides it with direct access to hospital networks.

In FY 2022, the radiopharmaceuticals business grew 13% compared to the previous year driven by recovery in elective nuclear diagnostic procedures in the US market.

We installed our first Ruby-Fill® systems in the United Kingdom (UK) and Israel, and overall our network of users increased 30% in one year. To continue the double-digit growth of Ruby-Fill® in the next decade, we deployed a dedicated sales team and doubled the production capacity at our plant in Montreal, Canada. In addition we continue to invest in innovative delivery models for Ruby-Fill® systems, e.g., mobile delivery systems.

Our I131-MIBG theranostics program for high-risk neuroblastoma is progressing well, with high enrollment of patients in our OPTIMUM Phase II clinical trial across 20 pediatric centers.

Our strategic partner SOFIE Biosciences, Inc (SOFIE) in which Jubilant Pharma Limited has 25% of equity holding, started to manufacture and distribute PYLARIFY® (piflufolastat F18) injection, an F18-labeled prostate-specific membrane antigen (PSMA) targeted Positron Emission Tomography (PET) imaging agent. SOFIE also received green light from the United States Food and Drug Administration (US FDA) to proceed with its Fibroblast Activation Protein Inhibitor (FAPI) Phase 2 clinical trial of Ga68-FAPI PET for imaging patients with Pancreatic Ductal Adenocarcinoma (PDAC). FAPI has received worldwide acclaim for its value as a key next-generation theranostic agent with the ability to greatly enhance the detection and treatment of a wide variety of oncology diseases.

In last two years, during the COVID-19 times, performance of the Radiopharma business was affected on account of lower elective procedures especially related to lung scans due to COVID-19 and competition. We are witnessing a gradual recovery in this business due to improving COVID-19 situation in the US, barring lung scans, which are trailing the recovery curve.

During FY 2022, the Radiopharma business reported a revenue of ₹21,228 million vs. ₹19,150 million last year. The Company has successfully built an integrated ecosystem including a dedicated Research & Development team, specialised manufacturing facilities, best-in-class regulatory affairs, sales and marketing operations. This business has promising growth through our own vertically integrated Radiopharmacies as well as its radiopharmacy

customers. The Company is working on several active pipeline projects, which it plans to launch in the next few years. In its Radiopharmacies business, the Company is executing a detailed turnaround plan to grow top-line strongly with new customer wins, expand network to service newer geographies, increase product basket and enhance cost and procurement efficiencies. The Company is well-positioned in the North American nuclear medicine market, which is expected to grow across the therapeutic segments of oncology, neurology and cardiology over the next five years. The Company aspires to be the leading manufacturer of nuclear medicine products in North America. With a strong presence in North America, it is expanding its distribution channels in the Latin America, European and Asian markets.

Allergy Immunotherapy

The Allergy Immunotherapy business provides products in the US and also exports to several international markets such as Canada, Europe and Australia. We supply bulk extracts to physicians who then use the products for diagnostic testing and to administer immunotherapy treatment. Allergenic extracts in our portfolio are offered in the form of consistent, high-quality, differentiated products along with a range of specialised diagnostic devices for skin testing. We are the sole manufacturer and supplier of venom immunotherapy products in the US.

A differentiated business of manufacturing and marketing of allergenic extracts is backed by one of the oldest and most trusted brands, HollisterStier, which has been in existence for over 100 years. The Company has been focusing on expanding market coverage and this has been bearing fruit with better performance. In addition to expanding the market, we have focused on building supply and ensuring robust offering of our antigens to customers. As a result, the extract volumes (ml) administered for patients have grown high in single digits. In addition, we have increased capacities in lyophilization and are further increasing capacities in the Allergy Immunotherapy manufacturing facility to ensure consistent and reliable supply of our flying insect venom products. During FY 2022, the business reported a revenue of ₹4,894 million vs. ₹3,885 million last year.

This business continues to build on the development of innovative products to address various allergies. It is our endeavour to expand the leadership that our products enjoy on the back of a robust product pipeline. The Company is expanding its footprint beyond the US and is building networks in other regions outside of North America including European Union (EU), Middle East and Africa (MEA) and Asia-Pacific (APAC) with a focus on our venom immunotherapy products in these regions.

Contract Development and Manufacturing Organisation (CDMO)

Our CDMO business includes our Contract Manufacturing of Sterile Injectables and Non-sterile Products (CMO) and our Active Pharmaceutical Ingredients (APIs) businesses. The CDMO revenues were at ₹18,817 million in FY 2022 as against ₹20,099 million in FY 2021.

Contract Manufacturing of Sterile Injectables and Non-sterile Products (CMO)

We are a fully integrated leading CMO player based out of North America with operations in Spokane, US and Montreal, Canada. The facilities offer manufacturing services including sterile injectables (both liquid and lyophilization), ampoules and sterile ointments, creams and liquids as well as non-sterile ointments, creams and liquids.

We are among the leading contract manufacturers in North America for sterile injectables. Our facilities have been approved by regulators across the world including the US FDA, Health Canada, Agencia Nacional de Vigilancia Sanitaria (ANVISA) Brazil, Pharmaceuticals and Medical Devices Agency (PMDA) Japan, Medicines and Healthcare products Regulatory Agency (MHRA), and various others. The products manufactured at both sites are sold in over 50 countries globally. We also lay strong emphasis on the highest level of compliance and Intellectual Property Rights (IPR) with a lean operation setup and supply of quality products in a timely manner to our customers. These efforts are instrumental in helping us further grow the order book. Injectable forms an increasing proportion of new approvals by innovators for which there is shortage of capacity in the industry for high-quality manufacturing sterile sites, which we have the capability to offer.

The CMO business has continued to play an integral role in the current pandemic, with established contracts for manufacturing of both vaccines and therapeutic drugs to fight the pandemic. The business witnessed stable revenues during the year as COVID-19 related contracts tapered off in H2 FY 2022. CMO revenues were at ₹13,340 million in FY 2022 as against ₹13,943 million in FY 2021.

Additionally we are investing in the area of sterile opthalmics by setting up a 200 bottle per minute plant at the Montreal Canada facility given the high Requests for Proposals (RFPs) we are witnessing in this field, which is led by the increasing aging population across the globe. This opthalmic line is currently undergoing validations. Once operational in Q3 of CY2022, it is expected to further encourage growth for the CMO business. With commissioning of this line, we would become the first contract manufacturer in North America that would offer additive free ophthalmics.

We are also continuing to invest at our Spokane, Washington, US and Montreal, Canada sites to address future growth opportunities. In May 2021 for our Spokane, Washington facility, we had announced a US$ 92 million investment to expand sterile injectable manufacturing capacity. This investment is being made to set up a high-speed 400 vials a minute injectable fill line with isolator technology, which will enhance Spokane facility's capacity by 50%. This expansion, which will also include two 300 sqft lyophilisers, will be spread over 50,000 sqft at the Spokane facility and will be commercially operational by the end of FY 2025. We have all the approvals lined up and the construction of the building is already underway.

In May 2022, we further announced another expansion at the Spokane facility, which will involve setting up of one more new line to increase the injectable filling production capacity at the plant by 100% from current levels at a cost of US$ 192 million. Both these expansions will be part funded through the cooperative agreement of US$ 149.6 million that the Company's subsidiary Jubilant Hollisterstier LLC entered into with the Army Contracting Command, in coordination with the Joint Program Executive Office for Chemical, Biological, Radiological and Nuclear Defence (JPEO- CBRND) on behalf of Biomedical Advanced Research and Development Authority (BARDA), within the US Department of Health and Human Services. This expansion will be complete by 2025 and expected commercialisation in FY 2027.

Active Pharmaceutical Ingredients (APIs)

APIs, also known as drug actives, are responsible for rendering the therapeutic action to the final formulation of a drug. As per IQVIA MIDAS, the global Active Pharmaceutical Ingredients market is expected to grow at a high single digit CAGR from 2020 to 2027 to reach US$ 364 billion by 2027. The global APIs consumption grew at a CAGR of 2% in last five years of which generics contributes 35%.

Our APIs business further adds value to the organisation by virtue of supplying cost-effective and high-quality APIs to our Solid Dosage Formulations business in the US, Europe, and Rest of the World (RoW).

In FY 2022, revenue from the API business was ₹5,477 million as compared to ₹6,156 million in FY 2021.

As of March 2022, we filed 98 Drug Master Files (DMFs) in the US, 46 Certification of Suitability (CEPs) in Europe, 40 DMFs in Canada, 15 DMFs in Japan and 14 DMFs in

Australia. We are on track to obtain approval from the European Directorate for the Quality of Medicines & HealthCare (EDQM) for two APIs in FY 2023.

The US FDA has assigned the Nanjangud, India facility an Official Action Indicated (OAI) classification since 2019. We have completed the remediation activities and await US FDA inspection. We are hopeful of resolution of the regulatory status at the Nanjangud facility.

In line with our commitment towards our partners, we are leading various initiatives to reduce costs by continuously streamlining our operations, enhancing yield, on-boarding alternative vendors, de-risking our operations and supply chain and optimising input material costs. Several cost improvement and process innovation programs are being undertaken for various commercial APIs as a part of product life cycle management. This will help us improve profitability and maintain market share despite increasing competition and pricing pressure.

According to estimates, 70% of India's APIs requirement is met through China. Jubilant is aggressively working on reducing the dependence on China for raw materials by ramping up domestic capacity and developing reliable local vendors for sustainability & quality. For the critical APIs, the Company is aiming to secure the entire value chain through backward integration.

During the year, the Company voluntarily withdrew Losartan and Losartan HCTZ product from the US market following detection of a new category of azido impurities. This azido impurity was a new category of impurities and several other generic players too recalled their Losartan products. We are glad to mention that we are amongst the first companies to resolve this impurity issue by realigning our production processes and have reintroduced Losartan HCTZ in the US market and plan to reintroduce Losartan by mid of FY 2023.

We have further future-proofed our manufacturing process to address similar regulatory changes, while ensuring compliance with all guidelines.

Jubilant offers a broad portfolio comprising of around 100 different APIs from various therapeutic categories such as Central Nervous System (CNS), Cardiovascular System (CVS), anti-infective and anti-diabetic. Global leaders in Carbamazepine, Oxcarbazepine, Pinaverium, Risperidone, Valsartan. Diversified & large external customer base to drive growth across multiple regions.

Our new product development philosophy is innovation-led affordability and quality-by-design, giving our customers access to cost-effective APIs, while maintaining consistent global quality standards. Aided by strong process and analytical chemistry capabilities and IP and regulatory expertise, we will continue to focus on developing new products and filings for key markets.

The Company has decided to demerge its Active Pharmaceutical Ingredients business, currently an undertaking of Jubilant Generics Limited (JGL) and vesting of the same with the Company on an going concern basis.

This demerger is to be implemented through a scheme of arrangement between JGL and the Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Hon'ble National Company Law Tribunal, Allahabad Bench ('NCLT') has, by its Order dated May 23, 2022, sanctioned the Scheme of arrangement. The Appointed Date of the Scheme is April 1, 2022. The Scheme will take effect upon the filing of the Formal Order of the Tribunal with the Registrar of Companies, which filing is targeted/ expected on July 1, 2022.

The business rationale behind this reorganisation plan is as below:

- Creation of a small molecule discovery and chemistry focused vertical present across value chain of CRO & CDMO of Innovative and Generic APIs

Generics

The Generics business includes our Solid Dosage Formulations that involves manufacturing and marketing of formulations in the generics space. We have traditionally focused on the US market, which is the largest market for generics. In addition, we are also extensively expanding in Europe & Rest of the World (RoW) markets like Asia, Middle East, Latin America and Africa. We have promising plans for growth in Europe, Middle East, Africa, Canada and Australia in the near future.

The business derives benefit of vertical integration with in-house APIs. This helps us reduce costs and maintain optimal efficiency. The broad therapeutic areas covered include Cardiovascular System (CVS), Central Nervous System (CNS) and Gastrointestinal (GI).

We manufacture our products in Salisbury, US and Roorkee, India. A few products are also in-licensed from external partners. Our Roorkee facility is approved by Federal Agency for Medicines and Health Products (FAMHP) Belgium, Pharmaceuticals and Medical Devices Agency (PMDA) Japan, Therapeutic Goods Administration (TGA) Australia and South African Health Products Regulatory Authority (SAHPRA). While our Salisbury facility is US FDA approved, our Roorkee facility received an Import Alert in July 2021 from US FDA. Earlier, the Roorkee facility received an Official Action Indicated classification status from USFDA in December 2018 and a Warning Letter in March 2019. The Company is engaging with the agency and is taking help from consultants to resolve the Import Alert at the earliest and ensure cGMP compliance.

As of March 31, 2022, the business had 13 commercial products in the US, 15 in Canada, 29 in Europe, and 32 in RoW. Additionally, we filed a total of 98 ANDA filings in US, 39 in Europe, 24 in Canada and 42 filings in other RoW countries so far. Additionally, we have received 62 ANDA approvals in the US, 33 in Europe, 23 in Canada and 40 in RoW markets.

Revenue during the year stood lower due to the impact of Import Alert, pricing pressure in the US market, lower Remdesivir sales in H2' FY 2022, and one-time impact of voluntary withdrawal of some sartan products in Q2' FY2022. The total revenue from this business in FY 2022 was ₹11,569 million as compared to ₹14,763 million in FY 2021.

Our aim is to enhance our focus on the key ROW markets and on India market, wherein we foresee significant growth opportunities. Currently, we have obtained approvals in the key markets of Asia and Africa— including South Africa, Philippines and Malaysia, and a number of these approved products are already commercialised. In Latin America, Middle East, and Commonwealth of Independent States (CIS) markets, our growth will be driven by new filings and new product launches in key markets, including UAE, Chile and Brazil.

Further, we continue to expand our operations in Europe, which has been a consistent revenue contributor for our global business over the year. UK continues to be a key growth market where we have established our subsidiary and are strengthening our team and product portfolio. We have built a strong base with more than 35 customers in Europe and we are continuously strengthening our product portfolio with them. Similarly, we have established our subsidiary in UAE, which would focus on expanding operations in Middle East as part of our growth plan. Our businesses in Canada and Australia are expected to see significant growth based on new launches and new partnerships.

In our Generics business, we are witnessing pricing pressure in some of the product categories in the US market.

Contract Research and Development Services (CRDS) Segment

The Contract Research and Development Services (CRDS) segment provides Drug Discovery and Development services under Jubilant Biosys Limited. Jubilant Biosys Limited operates from Bengaluru, Noida and Greater Noida in India, offering integrated as well as functional drug discovery and development services to global innovators. Total revenue from this business in FY 2022 was ₹4,574 million compared to ₹3,052 million in FY 2021.

In our Contract Research and Development Services business, we focus on offering integrated solutions to our pharmaceutical customers which maximises speed to develop a new lead. Our service offering includes early Drug Discovery Services, GMP scale up of Intermediates and New Chemical Entity (NCE). This provides an integrated solution (from early phase discovery and development to commercialisation of the molecule) to pharmaceutical customers.

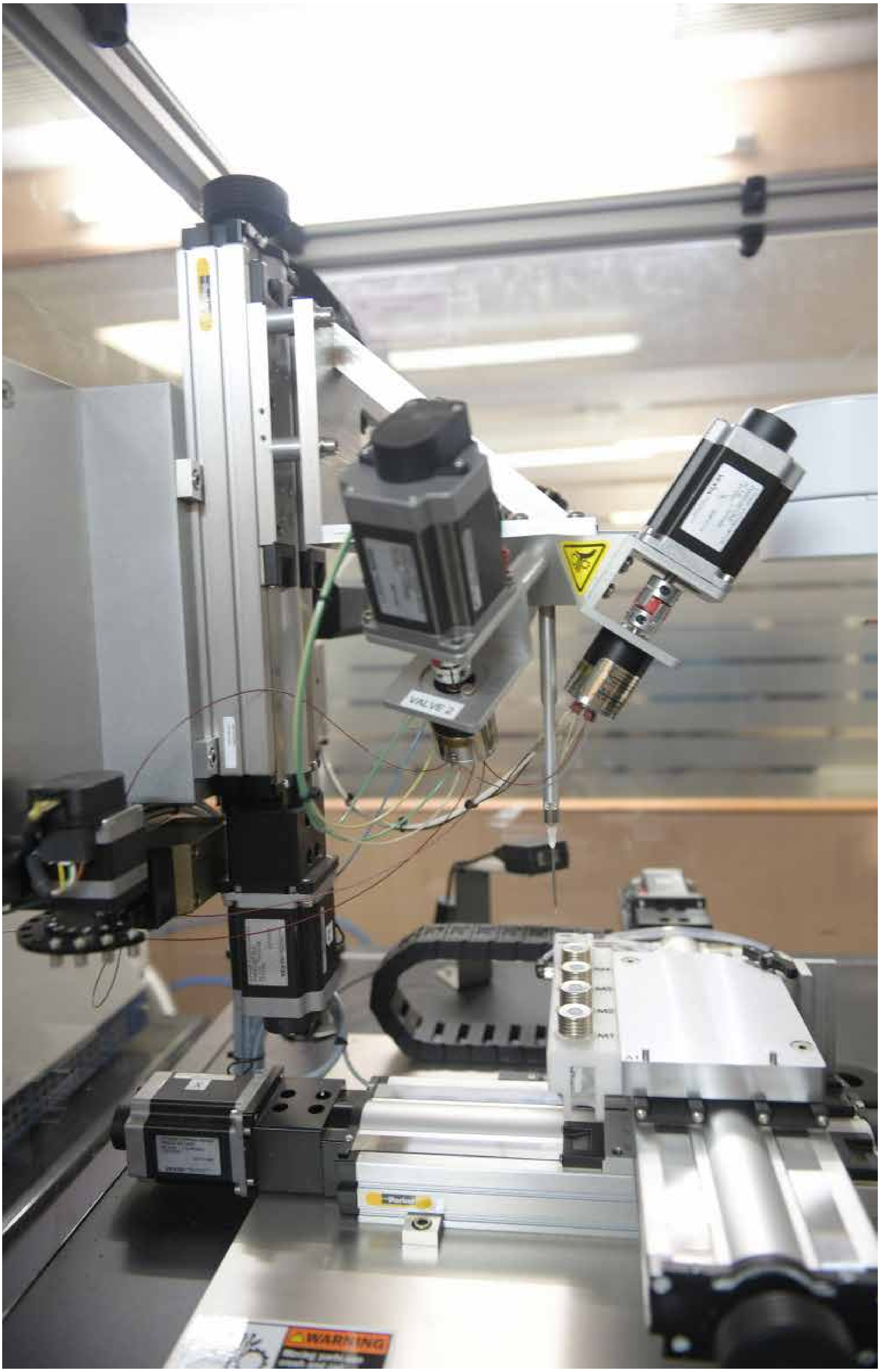
It is our objective to provide solutions and services to the pharmaceutical and biotechnology industry as well as academic institutions during the research and preclinical phases of drug development. Our therapeutic areas of expertise include Oncology, Metabolic Disorders, Central Nervous System (CNS), Pain and Inflammation.

We are continually strengthening our relationships in this sector by expanding our service offering through investments in new technologies and capabilities which will enhance our knowledge in select therapeutic areas. During the year, the Company commissioned the state-of-the-art Chemistry Innovation Research Centre at Greater Noida, India to double the chemistry research capacity. Our business presents a vastly capable and effective alternative to customers seeking world-class research and development services that are designed for speed to reach critical milestones. Our chemical development facility adheres to GMP and is capable of conducting multi-kilogram manufacturing campaigns for both pre-clinical toxicology and early clinical stage requirements.

As of March 31, 2022, the business had 13 commercialised products in the US, 15 in Canada, 29 in Europe, and 32 in RoW.

We are strategically investing in capacity expansion and remain focused on integrated programs as well as discrete Full Time Equivalent (FTE) and Fee for Service (FFS). The TrialStat® specialised in clinical trials, offers Cloud/ SaaS (Software as a Service) based on Artificial Intelligence /Machine Learning proprietary platform for clinical trials.

The eClinical suite includes TrialStat® Orbit for electronic database capture, TrialStat® CTMS for Clinical Trial Management Software and TrialStat Portal for analytics and customer interface software. The business is further expanding capacity in Greater Noida for Chemistry and DMPK to drive growth in the near term.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Proprietary Novel Drugs Segment (Jubilant Therapeutics)

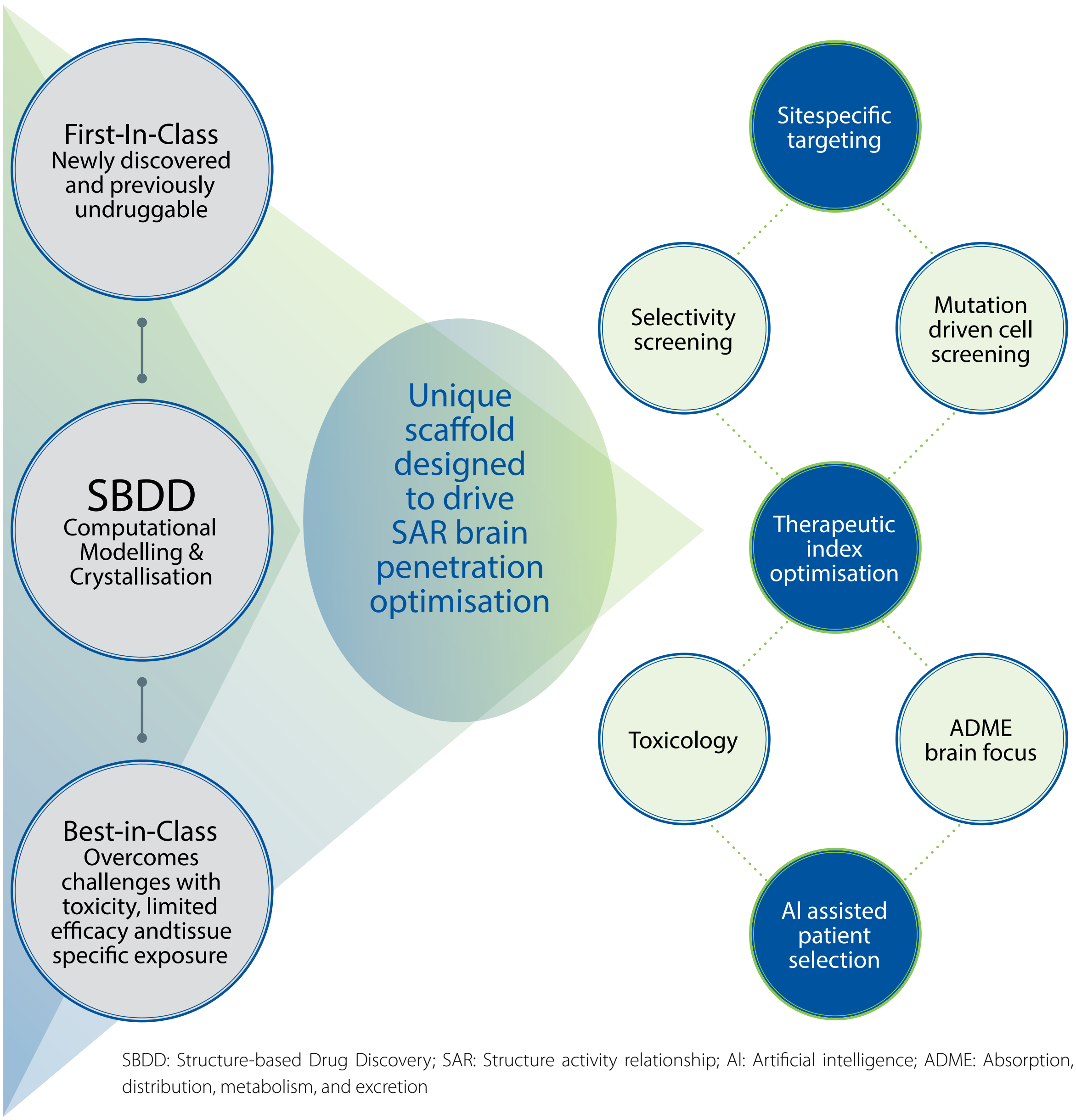
Jubilant Therapeutics is a clinical stage precision therapeutics company advancing potent and selective small molecule modulators to address unmet medical needs in oncology and autoimmune diseases. Its advanced discovery engine integrates structure-based design and computational algorithms to discover and develop novel, precision therapeutics against both first-in-class and validated but intractable targets in genetically defined patient populations. The Company is progressing its most advanced program - first in class dual inhibitor of LSD1/HDAC6 to Phase I/II in 2022, followed by additional INDs with novel brain-penetrant modulators of PRMT5 and PDL1, as well as PAD4 inhibitors in oncology and inflammatory indications.

The Company's key strengths include:

- State-of-the-art discovery engine
- Differentiated pipeline and platform
- Multiple near term catalysts
- Experienced leadership
- Premier academic collaborations

Therapeutic Index & Brain Exposure Optimisation (TIBEO) –

Jubilant Therapeutics' advanced platform to develop highly differentiated novel drugs



SBDD: Structure-based Drug Discovery; SAR: Structure activity relationship; AI: Artificial intelligence; ADME: Absorption, distribution, metabolism, and excretion

Pipeline Overview

PROGRAM	INDICATIONS	HIT TO LEAD	LEAD OPTIMIZATION	PRE-CLINICAL (IND)	CLINICAL	MILESTONES	COMMERCIAL RIGHTS
JBI-802 LSD1/ HDAC6 Dual Inhibitor	Neuroendocrine Tumors,SCLC, AML,MPN,MDS					Phase I/II Interim data 2022	JUBILANT
JBI-778 PRMT5 Inhibitor	Glioblastoma, Brain Metastases,MCL					IND 2022	JUBILANT
JBI-2174 PD-L1 Inhibitor	Brain tumor and Metastases, GI Track Cancers					IND 2023	JUBILANT
JBI-1044 PAD4 Inhibitor	RA, HS, Vasculitis, Liver Metastases					IND 2023	JUBILANT
EGF1	Oncology						FRAZIER
BRD4	Oncology						CHECKPOINT

Multiple difficult-to-target precision therapeutics oncology programs in discovery stage

1 Blueprint Medicines acquired Lengo Therapeutics (Frazier Healthcare entity) for $250mn in cash plus $215 mn in milestone payments

In addition, there are multiple early-stage programs targeting oncogenes and transcriptional factors in stealth mode.

During FY 2022, the Company progressed on multiple fronts:

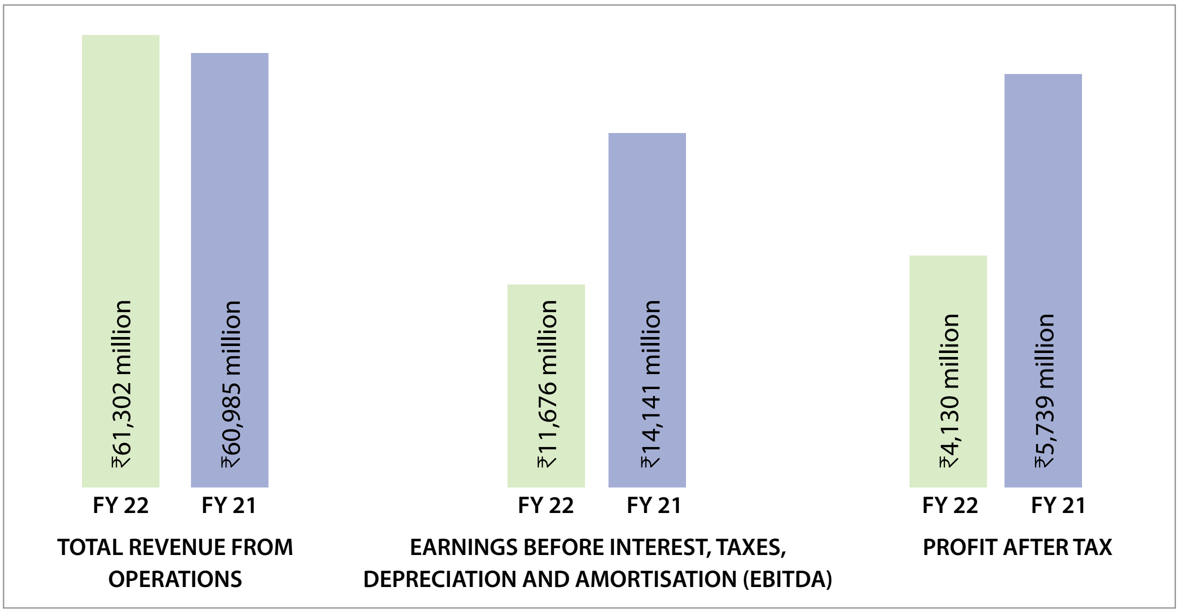
- Transforming the Company from pre-clinical to clinical stage biotech
- US FDA clearance of 1st IND filing – Dual LSD1/ HDAC6 inhibitor for cancer
- IND enabling studies for 2nd IND filing – Brain penetrant PRMT5 inhibitor for cancer
- Validation of platform through Lengo- Blueprint M&A transaction
- Program data presentations at globally renowned scientific conferences such as AACR (American Association of Cancer Research)

Globally, the number of listed biotech companies have surpassed pharma companies making it a formidable sector, within larger healthcare and life sciences industry. Within biotech – target therapeutics for oncology is one of the largest segments and this is the space that Jubilant Therapeutics operates in. Although biotech sector, similar to other growth sectors, has faced some headwinds recently in the public markets – the underlying drivers in terms of global novel drug launches and development pipeline continues to indicate significant market potential. We are in the cutting edge of developing novel medicines for the future and are working towards creating shareholder value through multiple opportunities available.

Our drugs under development have the potential to address high unmet medical needs with multi-billion dollar market size:

Indication	Standard of Care	Unmet need	Incidence (patients) - key markets
Small Cell Lung Cancer (SCLC)	Chemotherapy, Immune checkpoint inhibitors	Therapy options for refractory patients	Over 200,000 5 year Survival – 7%
Glioblastoma	Gliadel (carmustine wafer), temozolomide, and Avastin (bevacizumab)	Lack of efficacious therapy	Over 60,000 5 year Survival – 5%
Brain Metastases	Immune-checkpoint mAbs, Tyrosine kinase inhibitors	Lack of efficacious therapy	Over 300,000
Rheumatoid Arthritis	TNFa inhibitors, JAK inhibitors, Interleukin inhibitors, Methotrexate, Steroids	Lack of efficacious therapies to partial responders, remission, refractory patients; Immune suppression	Over 5 million

Financial Performance



₹ in million

Income Statement	FY 2021	FY 2022	% Growth
Total Revenue from Operations	**60,985**	**61,302**	**1%**
Other Income	176	113	(36%)
Total Income	**61,162**	**61,415**	**0%**
Material Cost and Change in Inventory	13,684	12,864	(6%)
Purchases of Stock-in-trade	1676	2016	20%
Employee Benefits Expense	19,229	20,434	6%
Other Expenditure	12,432	14,424	16%
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	**14,141**	**11,676**	**(17%)**
Depreciation and amortisation expense	3,490	3,817	9%
Finance Cost	1,841	1,455	(21%)
Share of profit/(loss) of an associate	113	(100)	
Profit Before Exceptional Items and Tax	8,923	6,305	(29%)
Exceptional Item – Charge on Stock Settled Instrument	212	0	
Profit Before Tax	**8,711**	**6,305**	**(28%)**
Tax Expenses	2,972	2,174	**(27%)**
Profit After Tax (PAT)	**5,739**	**4,130**	**(28%)**

Revenue

Total revenue from operations during the year was at ₹61,302 million as compared to ₹60,985 million in FY 2021. Revenue from Pharmaceuticals segment was at ₹56,507 million vs. ₹57,897 million in FY 2021 and contributed 92% to overall revenue. For Contract Research and Development Services, the revenue was at ₹4,574 million vs. ₹3,052 million in previous year. Revenue from Proprietary Novel Drugs stood at ₹18 million in the year.

Expenditure

Expenditure for operations was at ₹55,010 million in FY 2022 as compared to ₹52,351 million in the previous year. Material cost and change in inventory stood at ₹12,864 million vs. ₹13,684 million in FY 2021. Employee benefit expense in FY 2022 was at ₹20,434 million. Other expense was higher at ₹14,424 million as compared to ₹12,432 million in FY 2021.

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

The EBITDA from operations was at ₹11,676 million in FY 2022 as compared to ₹14,141 million in the previous year. The EBITDA of Pharmaceuticals segment was at ₹10,871 million as against ₹13,863 million in FY 2021 with margins of 19.2% as against 23.9% in FY 2021. Contract Research and Development Services EBITDA was at ₹1,691 million as compared to ₹1,085 million in FY 2021, translating to EBITDA margin of 37%.

Finance Cost and Depreciation

Depreciation and Amortisation was at ₹3,817 million in FY 2022 vs. ₹3,490 million in FY 2021. Finance cost was at ₹1,455 million as compared to ₹1,841 million in FY 2021. Average blended interest rate for FY 2022 stood at 4.56% as against 5.07% in FY 2020.

Profit Before Tax

Profit Before Tax was at ₹6,305 million as compared to ₹8,711 million in FY 2021.

Tax Expenses

Tax Expenses were lower at ₹2,174 million in FY 2022 as compared to ₹2,972 million in the previous year.

Profit After Tax

Profit After Tax was at ₹4,130 million vs. ₹5,739 million in the previous year. Earnings per Share (EPS) was at ₹26.00 per equity share of ₹1 each.

Review of Operations

Our operations comprise products and services across Pharmaceuticals, Contract Research and Development Services and Proprietary Novel Drugs.

- Pharmaceuticals segment includes the following:
  - Specialty Pharmaceuticals, comprising Radiopharma (Radiopharmaceuticals and Radiopharmacies) and Allergy Immunotherapy businesses
  - CDMO, comprising Contract Manufacturing of Sterile Injectables and Non-sterile Products and Active Pharmaceutical Ingredients businesses
  - Generics, comprising Solid Dosage Formulations
- Jubilant Biosys Limited comprises Contract Research and Development Services business
- Jubilant Therapeutics comprises Proprietary Novel Drugs

₹ in million

Segmental Revenue Analysis	FY 2021	FY 2022	YoY Growth (%)	Revenue Mix(%)
Pharmaceuticals	57,897	56,507	(2%)	92%
Speciality Pharmaceuticals	23,035	26,113	13%	43%
Radiopharma	19,150	21,228	11%	35%
Allergy Therapy Products	3,885	4,894	26%	8%
CDMO	20,099	18,750	(7%)	31%
CMO	13,943	13,340	(4%)	22%
Active Pharmaceutical ingredients	6,156	5,477	(11%)	9%
Generics (Solid Dosage Formulations and Indian Business	14,763	11,569	(22%)	19%
Contract Research and Development Services	3,052	4,574	50%	7%
Proprietary Novel Drugs	37	18	(51%)	
Unallocable Corporate Income	0	203		
Total Revenue from Operations	60,985	61,302	1%	

Key Financial Ratios	Units	FY 2021	FY 2022
Debtor Turnover	times	7.3	6.5
Inventory Turnover	times	5.3	4.8
Interest Coverage	times	7.7	8.0
Current Ratio	times	2.8	2.2
Debt Equity Ratio	times	0.4	0.4
Operating Profit Margin	%	23%	19%
Net Profit Margin	%	10%	7%
Return on Net Worth	%	12%	8%

Business Enablers

Research & Development and Intellectual Property

Pharmaceuticals

Our Research & Development (R&D) is an ever-evolving centre for excellence and remains strong on its belief towards innovation and quality to magnify the Company's business aspirations.

The focus of our R&D is to enhance innovation, scientific efficiency and effectiveness in compliance with Jubilant's core values and support execution of business strategies. Our R&D centres are located in North America and India with expertise in the development of novel, robust and non-infringing processes for generics and APIs, as well as specialised and niche formulations and designs for radiopharmaceuticals and other products, which have been taken to commercialisation. Our R&D continues to lead to new, innovative processes and knowledge-driven products that increase the efficiencies of our production and allow us to capitalise on opportunities for growth in competitive markets.

The multi-skilled R&D teams, with specialisation across the value chain of pharmaceuticals, focuses on novel drug delivery systems research, radiopharmaceuticals, allergenic extracts research, analytical research and biological support including pharmacokinetics and Bio Availability/Bio Equivalence research and generics research including APIs and dosage forms. R&D supports the activities of our various businesses by developing breakthrough technologies in new products, process chemistry, analytical chemistry, process intensification and establishing technologies at commercial scale. All the R&D centres are process-driven and promote a disciplined work culture. Our strong internal audit framework ensures overall regulatory compliance. The R&D team keeps itself updated with the regulations, upcoming technological trends and proactively ensures pharmacopeial compliance while adopting best industry practices.

Our Radiopharmaceuticals business has a focused R&D team with radiochemistry expertise, based in Montreal, Canada and the team works on nuclear medicine for the diagnosis, treatment and monitoring of various diseases.

It serves hospital-based customers (nuclear medicine physicians and technologists) and radiopharmacies, globally, with high quality and reliable specialty products. The business is backed by a dedicated R&D team, specialised manufacturing, strong regulatory and medical affairs and commercial operations using radiation safety protocols. The areas of specialisation include cardiac, lung, bone and thyroid diseases. This team supports existing products and leads the development of new products using its own resources by collaborating with the R&D team in India.

We are continually engaged in the development of new products that have yielded a pipeline of products that can be introduced in the future. We are expending efforts to enhance the product offerings across diagnostics and therapeutics to increase the bandwidth of products and their applications. Losartan potassium azido free process was developed and commercialised at plant scale. Our sartans offerings such as Valsartan, Irbesartan and Olmesartan continue to remain free of genotoxic azido impurities.

Our highly experienced team of dedicated scientists focus on development of variety of niche generic products across the spectrum of available dosage formulation technologies. Using our strong R&D capabilities and manufacturing expertise in solid dosage formulation, the team focuses on development of immediate release, extended release products and novel drug delivery system-based products. This includes ophthalmic products, injectable products and formulations for veterinary business. Our broad development pipeline comprises dosage formulations ranging from immediate

We are expending efforts to enhance the product offerings across diagnostics and therapeutics to increase the bandwidth of products and their applications. Losartan potassium azido free process was developed and commercialised at plant scale.

release oral formulations to more complex generics based on matrix, reservoir, Multi-Unit Particulate (MUPS) technologies and powder or granules for oral suspension. Solid Dosage Formulation R&D skill set includes development of various forms of immediate release of tablets, capsules, powder for oral suspensions, MUPS dosage forms, modified release dosage forms, inlay tablets, oral liquids, sterile dosage forms including prefilled syringes and lyophilized powders for injection, ophthalmic dosage forms, topical dosage forms and veterinary products. Our developed technologies and products are Intellectual Property (IP), regulatory and quality compliant and we intend to focus on continuous investment using our in-house capabilities and expertise.

Our APIs R&D focuses on developing commercially competitive, robust and eco-friendly technologies and it is capable of developing complex molecules having multiple chiral centres and has outstanding capabilities of carrying out PolyState characterisation. Our APIs R&D teams thrive on 'green chemistry culture' and have developed various environment friendly and disruptive technologies wherein many batch processes have been replaced by continuous processes and chemical processes with enzymatic/ chemo catalysis processes. We continue to develop NCE1 molecules meant for FTF opportunities and evaluate options for 505(b) (2) and Day 1/181 launches, focusing on sustainable and competitive offerings to customer. During the current financial year, we have enhanced our capability in mass spectrometry by adding T-quad LC-MS/MS, T-quad GC-MS/MS and S-quad GC-MS for the sub ppm level determination of N-Nitrosoamines in various APIs to comply with the current stringent regulatory requirements. API R&D is critical in ensuring development of Key Starting Materials (KSMs) to enhance the overall control over process, de-risking raw material availability and ensuring regulatory and quality compliance. We have a dedicated highly-experienced team of scientists focusing on development of variety of niche generic products across the spectrum of available dosage formulation technologies. Our product development pipeline comprises dosage formulations ranging from immediate release oral formulations to more complex generics based on matrix, reservoir MUPS technologies and powder or granules for oral suspension.

The Company is also working in the space of allergy diagnostics and therapeutics for treating allergies caused by companion animals (cats and dogs), mites, pollen, dust etc. Allergy R&D has expertise in biopharmaceuticals— specifically sterile liquid vaccines. The core focus is on allergen (natural) extracts for immunotherapy with a range of vaccines to immunise patients against IgE mediated allergen specific hypersensitivity. The Allergy Immunotherapy business has evolved into a global player in providing high quality products to the global immunotherapy market for diagnosis and treatment of allergies. Its cGMP facility manufactures products to meet

the high-quality standards followed in the allergy industry. Over the years, the Company has extended its customer base to include allergists, ENT doctors and clinics, primary care physicians, hospitals and pharmacies in the US, Canada, Australia and many other international markets. It currently has over 200 allergenic extracts (standardised grass pollen extracts, non-standardised tree, grass and weed pollen extracts, Acetone Precipitated (AP) product line of extracts, standard mite extract, standardised venom, mold extracts and foods and mixes and a line of specialised skin-test devices) in the market. We have evolved our production technologies including specialised proprietary know-how over a period of time with the help of R&D. We keep our options to licence- in/licence out technologies/know-how to accelerate businesses of interest.

Our Intellectual Property (IP) - enabled innovative R&D efforts helped us avoid IP disputes after developing outstanding designing capabilities by identifying newer opportunities, better understanding of emerging challenges, developing alternative/ innovative research strategies and creating intellectual property which is well-protected in the geographies of our business interests. Our efforts have fructified into intellectual properties, which have grown over the years creating a strong position for the generic pharmaceutical business in regulated markets.

We protect our inventions by filing patent applications in India, US, Europe, Canada, Australia, China, International Patent Applications (PCT) and other countries. We pursue them and maintain them in countries of business interest. Below is the list of Company's patent portfolio as on March 31, 2022.

S. No.	R&D	Cumulative Patent applications	Cumulative Patents Granted
1	Radiopharmaceuticals	441	265
2	Allergy Immunotherapy	9	2
3	Dosage Innovation	39	2
4	Dosage Formulations	206	37
5	Active Pharmaceutical Ingredients (APIs)	350	119
6	Jubilant Therapeutics	116	08
Total		**1161**	**433**

Contract Research & Development Services (CRDS)

Contract Research & Development Services business offers state-of-the-art capabilities in small molecule discovery and pre-clinical development. These include capabilities in Discovery Informatics, Molecular Modelling, Structural Biology, Medicinal Chemistry, Synthetic Chemistry, in-vitro Biology, in-vivo Biology, DMPK studies, Pharmacology, Toxicology, Scale up and GMP. Our disease biology expertise spans across multiple therapy areas including oncology, metabolic disorders, neurological disorders and inflammation.

Drug discovery is driven by the passion of our scientists, to provide affordable drugs to patients worldwide in areas of unmet needs. Our scientists collaborate across technology and therapeutic platforms to identify and validate novel small molecules and platforms that will enable first or best-in-class healthcare solutions of our collaborators. The competence of our team has been demonstrated by the progression of molecules to candidates and beyond starting from targets in a span of less than three years. The ISO 27001-certified facility is designed to firewall collaborations for scientific, operational and data exclusivity.

We have made significant progress in our AI/ML enabled drug design and validation and we have continued our investments in state-of-the art technologies such as the BD FACSLyric™ Flow Cytometry System and Pioneer FE SPR system from Forte Biosciences. Digital initiatives were rolled out to improvise day-to-day operations, notebook keeping and customer engagement. In parallel, numerous investments were made to enhance EHS standards in the laboratories. Together, these strategic actions and investments will pave the way for business growth in the coming years. The scientific achievements in FY 2022 include nomination of a pre-clinical candidate for IND application and achieving the milestone in a large pharma collaboration, initiation of multiple drug discovery collaborations with Biotech companies, as well as filling of numerous patent applications and publishing high-quality research articles. We continue to maintain a healthy pipeline of client programs that can help offset attrition and we continue our efforts to expand the business base.

In September 2021, we won the prestigious Indian Chemical Council award for 'Excellence in process Design & Engineering'; for the year 2020 for the 'Development and commercialisation of Remdesivir, by R&D-APIs of Jubilant Generics Limited'.

Manufacturing

The manufacturing operations continue to be streamlined with a strong focus on the key enablers.

- *Compliance:* Compliance with diverse international regulations to maintain high-quality standards and a global customer base
- *Customer service:* Heightened awareness of our customer needs and striving towards delivering a quality product on time
- *Capacity and Capabilities Enhancement:* Sufficient capacity to meet demand as well as respond to market opportunities while implementing technology advancements
- *Cost Leadership:* Continue to improve our conversion cost to remain competitive and establish a long-term presence in the market
- *Continuous Improvement:* Review and revise our processes using business excellence models and lean strategies
- *Continuity:* Business continuity through risk mitigation and sustainability measures

Compliance

As a pharmaceutical manufacturer, our manufacturing facilities are required to comply with all applicable quality and regulatory authority requirements of the country of origin and country of export, including ensuring that the quality and manufacturing processes conform to current Good Manufacturing Practices (cGMP).

Continuous Improvement

- We are committed to continuous business process improvements by means of automation and providing timely training to our workers, establishing clear Standard Operating Procedures (SOPs) and process guidelines, which will lead to a reduction in cycle time and improvement in productivity
- We continue to improve and harmonise our quality systems to ensure compliance with ever-evolving regulations
- We continue to deliver safe and effective products to our clients in a timely manner. In the true spirit of continuous improvement and to be in line with the latest industry standards and trends, we will continue to make significant investments in our people, strengthen our processes, bring state-of the-art technologies and further develop in-house expertise like computer system validation

- We have formed a dedicated team to address the import alert issue. This team includes highly specialised consultants, who have wide experience in resolving such issues. This team will not only remediate the gaps identified by US FDA but will also take a holistic approach towards further improving our cGMP quality systems, in addition to implementing a comprehensive program to improve our processes, this team will also proactively address all the gaps identified
- We are working very closely with the Agency and are providing them with regular updates and progress on the highlighted findings during the inspection

We continue to improve and harmonise our quality systems to ensure compliance with ever-evolving regulations. At Jubilant Pharmova Limited, we always strive to stay ahead of the curve to ensure compliance with regulations while meeting patient needs. During the financial year ending on March 31, 2022, various regulatory authorities inspected our facilities. Jubilant Pharma Limited sites in North America were inspected by Health Canada (CMO Montreal facility) and by US FDA (Spokane facility). The Health Canada inspection at CMO Montreal in October 2021 concluded with the GMP certificate being issued following the close of the inspection. The US FDA inspected the Spokane facility in August 2021 resulting in the inspection being classified as Voluntary Action Indicated (VAI). The Jubilant Pharma sites in North America are operating in a state of GMP compliance based on the inspection history at each of the sites

During FY 2019, US FDA inspected the Nanjangud facility of Jubilant Generics Limited and consequently in March 2019, the facility was put under US FDA's Inspection Classification status of 'Official Action Indicated' ('OAI'). As a result, while supplies of the approved products to the US continue, the approvals of pending applications or supplements for products to US may be withheld. Jubilant Generics Limited undertook a holistic review to implement necessary Corrective And Preventive Actions (CAPA) and also engaged third party cGMP consultants to support and identify areas of improvement and has been voluntarily updating US FDA. The Company's Nanjangud facility completed all identified CAPA actions and updated to the Agency.

For our Roorkee facility, the Company continues to engage with the US FDA and take all necessary steps, including comprehensive assessment and engaging independent consultants, to ensure further controls to resolve the import alert at the earliest and ensure cGMP compliance. Additionally, no other regulatory agency so far suggested or recommended similar action for any other market and/ or product. Manufacturing and supply of pharmaceutical products are continuing from Roorkee facility to all markets including and for non-restricted products to the US. The Company is engaging with the agency and is taking help from consultants to resolve the import alert at the earliest and ensure cGMP compliance.

The scientific achievements in FY 2022 include nomination of a pre-clinical candidate for IND application and achieving the milestone in a large pharma collaboration, initiation of multiple drug discovery collaborations with Biotech companies, as well as filling of numerous patent applications and publishing high-quality research articles. We continue to maintain a healthy pipeline of client programs that can help offset attrition and we continue our efforts to expand the business base.

The Jubilant Radiopharma division operates 48 compounding nuclear pharmacies (Radiopharmacies) and three Positron Emission Tomography (PET) drug manufacturing facilities across twenty-two states in the US. Our products are viewed as reliable and trusted in the industry, as we procure, prepare and deliver the highest quality USFDA-approved products and fully support and comply with the State Boards of Pharmacy (BOP) and USP compounding standards. Our pharmacies are 'open formulary', providing customers with a full array of options that allow clinicians to achieve the greatest benefits for their patients.

The regulatory standards for compounding radiopharmacy facilities have been undergoing constant and stringent changes over the past few years. During the end of the financial year on March 31, 2022, many of our facilities underwent successful inspections by multiple regulatory agencies, including the State Boards of Pharmacy, US FDA, State Departments of Health and Radiation Safety, and Environmental Protection Agency. No major observations were noted during 69 regulatory inspections within the financial year. All minor observations during inspections have been corrected and confirmed as per the requisite standards. The business has a good compliance history and good standing with regulatory agencies.

Environment, Health, Safety & Sustainability

For Jubilant Pharma Limited, Environment, Health & Safety (EHS) compliance is a key decision enabler for any process implementation. The Company's operations are spread across different geographical regions and are subject to a wide range of EHS laws and regulations.

In North America, we are regulated by various safety, health and environmental agencies and authorities including the United States Environmental Protection Agency (US EPA), Occupational Safety and Health Administration (OSHA), United States Nuclear Regulatory Safety Commission, Committee on Standards, Equity, Health and Safety at Work (CNESST, Quebec), Canadian Nuclear Safety Commission (CNSC), United States Boards of Pharmacy and Environment and Climate Change Canada. In India, we are regulated by various environmental agencies and authorities including the Central Pollution Control Board (CPCB) and State Pollution Control Boards.

We are aware of the rapid changes in the business environment such as increased global competition; more rigorous customer and societal demands; and extensive investor requirements. To tackle these challenges and ensure sustainability, excellence in cost, quality, and services, we treat Environment, Health and Safety as a topic of utmost importance to us. We are committed to protecting the environment and ensuring the health and safety of our employees, customers and the public.

The Company takes appropriate steps to ensure that our employees, the community at large and the environment, including natural resources, are protected. Leaving minimal environmental footprint is integral to our EHS philosophy. On the road to achieving excellence, we have adopted a top-down approach and have been enhancing the impact of initiatives by making it a line function responsibility through active employee consultation and participation. Efforts have been regularly implemented to drive a common governance approach on EHS across the board, and to adopt management programs and systems that follow a standard framework for deployment, but with the flexibility to tailor-fit local regulatory and other location specific requirements.

In FY 2022, we developed and deployed an EHS management system, which provides the structure for implementing proactive risk management solutions to ensure the safety of our people, ensure compliance with internal and external requirements, drives continuous improvement and support the overall strategy to operate in a safe and sustainable environment. At our manufacturing facility level and at Radiopharmacies, EHS programs are put in place including training and awareness to keep our employees, community and other stakeholders educated in key EHS aspects relevant to their operations. Contractors working at our facilities are educated and trained to conduct their activities safely and in an environmentally responsible manner. The operations leadership team reviews the progress made by the facilities on their EHS management system implementation during the monthly global EHS call.

We have always strived to leverage the use of technology to augment the work we do around EHS & sustainability.

We have an EHS solution, GenSuite, which is a cloud-based management system that provides integrated EHS applications into a suite of tools specific for each

business. The applications are related to management of corrective actions, incidents recording, incident investigation, data mining, auto notifications, compliance calendar among others. GenSuite allows for greater flexibility in data collection that matches our business needs and helps drive consistency in terms of tracking EHS challenges and ultimately improve our overall performance

In FY 2022, we worked on enhancing the capabilities of Gensuite, as part of our continual improvement efforts, to help provide better user experience and reporting of data. One such enhancement was the development of a safety observations reporting tool called iCare which is now deployed in all our North American sites including Radiopharmacies. iCare uses computer-based, mobile technology to capture safe and unsafe behaviours and conditions and these are tracked in the system till closure.

Another enhancement in Gensuite was to unify all incidents and accidents reporting under one common reporting system to provide a better user experience, tracking, and reporting of data. We also implemented HumanTech, a software solution utilising artificial intelligence technology to assess ergonomic risks in our manufacturing operations and Radiopharmacies. Workshops were conducted to train around 60 employees on the use of the software solution to help perform ergonomic assessments.

Our Radiopharmacies business in the US introduced a driver safety training program called 'Driver Insights', offered in collaboration with our fleet management vendor ARI, which includes an electronically delivered Driver Skill Assessment tool and electronic-based training to specifically address driver skill gaps. We have also enhanced the capabilities of our GPS-based telematics solution called GeoTab, which provides crucial driver behaviour information and helps us to ensure the overall efficient operation of our vehicles.

In FY 2022, we deployed the 'Conformity' tool for compliance management across our sites in North America. The tool helps in linking compliances to our processes and where required, changing business processes/policies. The tool provides real-time MIS capability for the reviewer/approver and management. The compliance reports are reviewed by the Board periodically.

Jubilant Radiopharmacies network across the US completed 54 inspections by environmental agencies, health agencies, radiation agencies and fire departments that did not have Notices of Non-compliance (NONs). Four inspections resulted in minor NONs with no monetary penalties and all were addressed within the stipulated time-frame. Jubilant Cadista Pharmaceutical Inc. facility at Salisbury, Maryland completed a virtual inspection by the Maryland, US Department of the Environment

for RCRA programs, a periodic inspection by Maryland, US Department of the Environment/ City of Salisbury, Maryland stormwater division where all findings were abated within the allotted time-frame. An inspection by the City of Salisbury, Maryland wastewater treatment was conducted without any findings. Canadian Nuclear Safety Commission (CNSC) performed a compliance inspection of our Jubilant DraxImage Inc. (JDI) activities under the Nuclear Substance and Radiation Device License. No notices of non-compliance were issued as part of this inspection. There were 12 recommendations focused on improving the training program which we responded to and followed up within the allotted time.

The Nanjangud, India, Jubilant Generics Limited facility operates on Zero Liquid Discharge (ZLD). Actions towards water conservation measures, improvement made in segregation of effluent streams, adoption of new technology SCALEBAN for cooling tower, etc. have resulted in improvement in ZLD operations with reduced operational cost. The construction of additional infrastructures have helped achieve improvement in compliance with hazardous waste management rules. With additional tanks being constructed for spent solvent handling, substantial improvement shall be achieved during FY 2023 taking the site to a benchmark in the sector for hazardous waste management. Enhanced focus on hazardous waste destruction through co-incineration in cement kilns is progressively reducing environmental footprint. Due to adverse hydrogeological conditions of the property and the events of an earthquake up to four Richter scale recorded at about 70 km away from the site, studies for assessing the stability of the facility against potential earthquakes > five Richter scale are under progress and would be concluded in Q2 FY 2023.

The safety and health of our people are accorded paramount importance. We are committed to ensuring that the health and safety of our employees, customers and the public at large are always protected. We take pride in managing our operations with a high concern for EHS and sustainability. EHS & sustainability metrics are used to measure and continuously improve EHS performance company-wide. All our facilities have a process for employees to report workplace EHS issues and concerns. We also encourage dialogue with employees through educational initiatives and functional and cross-functional committees. Our leadership team members are required to conduct regular GEMBAs not only to identify and address improvement opportunities but also to engage in EHS-focused conversations as part of building a culture of safety and caring.

We also have HumanTech, a cloud-based software utilising artificial intelligence technology to assess ergonomic risks in our manufacturing operations and provide solutions to systematically address them.

Our Roorkee, India facility has full fledge effluent treatment & sewage treatment facilities with a capacity of 130 KL & 70 KL respectively. It is a Zero Liquid Discharge facility and the treated water is used for irrigation as per the Consolidated Consent & Authorisation (CCA). There are also plans currently explored to utilise treated water in our cooling towers.

We continue to engage external subject matter experts to assess our operations and we jointly work with the help of their expertise to enhance our risk reduction efforts. These types of engagements include process safety, machinery safety & lockout tag out, electrical safety, ergonomics, industrial hygiene, investigation and root cause analysis, etc. In FY 2022, we engaged a Scotland based consulting company called STC Insisio to deliver Incident Investigation and Root Cause Analysis training for a group of our EHS & operations managers on their flagship and trusted investigation and root cause analysis solution 'COMET' which is considered the best in class at reactive investigations and also provides users with the ability to pivot into proactive investigations. More training is planned this financial year as part of our competency-building efforts.

Comprehensive safety improvement and capacity-building exercises have been undertaken to improve the knowledge, competency, expertise and commitment level of the people through an external safety consultant.

Our manufacturing sites in India are well-equipped with Occupational Health Centres (OHCs) run by experienced professionals. A comprehensive health assessment program is ensured for all the people working in our various facilities. The OHC provides curative, advisory and health promotion services to the employees. In North America, we work closely with local health care providers to ensure timely medical support for our employees. We have a full-fledged EHS team that continuously addresses the matters of environment, health, safety and sustainability and also conducts periodical safety assessments and audits.

Customer Service

Our operations fundamentally focus on Supply Level Adherence (SLA) and Right First Time (RFT). By achieving excellence in these two key metrics, high levels of customer service are automatically achieved. Bringing in customer centricity in our operations by leveraging excellent tools and methodology to unlock the 'Overall Plant Efficiency (OPE) and 'On-Time in Full' (OTIF) is important to achieve a competitive advantage to support the business growth.

As an organisation, we can demonstrate our promise of Caring, Sharing, Growing by providing direct help to save and enhance human lives through the launch of the Remdesivir drug in India with an integrated development and manufacturing of intermediates, APIs and final dosage form.

Capacity and Capabilities Enhancement

Our Roorkee, India, manufacturing facility completed its expansion and increased its capacity to manufacture test and warehouse oral dosage forms. We have made strategic and major investments in this plant to increase the capacity of bottle packaging to meet the rising market demand. We have introduced MUPS technology, sachet packing and European Union serialisation and expanded to three more packaging lines at our Roorkee, India site. With state-of-the-art facilities and machinery, the capacity will increase by one billion doses with large batch sizes. We are aiming to automate several other manual processes to enhance efficiencies and compliance while ensuring the health and safety of our employees.

Our manufacturing facility in Salisbury, Maryland, US has continued to invest capital to increase our capacity and capabilities for multiple unit operations, including roller compaction, blending, compression and tablet coating, to scale up for potential and acquired market opportunities requiring this technology. This has increased the overall installed capacity by 50% and has increased flexibility to take-on additional products. The site has successfully commercialised an integrated blister and cartooning automated line with full serialisation capabilities. Additionally, an investment in FY 2021 on installing a modular, multipurpose room type system will add to the GMP footprint and provide additional rooms to house future growth. The site is undergoing an upgrade in terms of overhauling the HVAC system for the GMP space.

At Nanjangud, India various capacity enhancement and cost improvement projects aimed at products such as Carbamazepine, Tramadol, Losartan, Irbesartan, Esomeprazole Trihydrate, and Escitalopram Oxalate have been implemented to minimise the Cost of Goods Manufactured (COGM) and improve capacity utilisation as well as capability building.

The Radiopharma business has undertaken several facility improvement initiatives throughout FY 2022. These include the implementation of ISO 7/8 classified cleanrooms per USP <825>. Atlanta and Chicago were relocated where new office areas, laboratory and modular cleanrooms were installed and certified. The two new sites were inspected by their respective state boards of pharmacy at pre-opening with both obtaining approvals. Additional renovations were completed in FY 2022 to meet USP <825> requirements at St. Paul, Cleveland, Pittsburgh, Harrisburg, Portland, and Loma Linda sites. Facility improvement projects were also completed in FY 2022 including the Savannah site. Two sites were closed during FY 2022, Valdosta, Georgia, US and Myrtle Beach, South Carolina, US. Additional USP <825> compliance projects which have been initiated in FY 2022 in the US are Plainview, New York (relocation), Oakland, California (relocation), Detroit, Michigan (relocation) and Saginaw, Michigan (remodel) to be completed in FY 2023.

We optimised the process with an added Isolator technology at our Montreal, Canada manufacturing facility resulting in a 100% capacity increase as well as reduced radiation exposure to our employees. We automated our RUBY-FILL® manufacturing processes by installing automated loading stations resulting in a 15% capacity expansion, efficiency gains and improved compliance.

At our CMO operations in Spokane, US, we are increasing our sterile liquid and lyophilization capacities through the addition of a new filing line with lyophilization capability. The planned expansion is set to get commissioned in FY 2024. The site continues to operate 24x7 across all production activities. At our Spokane, US manufacturing site for the Allergy Immunotherapy business, an additional filling line with lyophilization capability is installed to meet the higher market demand for venom products. The commissioning, qualification and validation of the same are expected in FY 2023. This will significantly improve operational reliability and capacity. Several capital investment projects will be initiated in FY 2023 to upgrade facilities for Allergy products.

At our CMO operations in Montreal, Canada, we upgraded our filling line and are in the process of procuring additional ophthalmic manufacturing and filling capacities. The new ophthalmic line will have the capability to manufacture preservative-free ophthalmic solutions and is expected to be operational by the first half of FY 2023. We continue to contribute during the pandemic by manufacturing both drugs and vaccines at both our injectable sites.

At both of our CMO facilities - Spokane, Washington and Montreal, Canada, equipment reliability programs have been initiated and several initiatives are in progress to strengthen and improve the processes around equipment reliability as well as maintenance and engineering capabilities, spare parts management and overall plant capacity.

Several capacity de-bottlenecking projects have been implemented and facilities and processes have been upgraded to enhance GMP at our formulations and APIs manufacturing facility at Roorkee and Nanjangud, India respectively.

At Nanjangud, India various capacity enhancement and cost improvement projects aimed at products such as Carbamazepine, Tramadol, Losartan, Irbesartan, Esomeprazole Trihydrate, and Escitalopram Oxalate have been implemented to minimise the Cost of Goods Manufactured (COGM) and improve capacity utilisation as well as capability building.

Cost Leadership

Our focus has been on conversion cost optimisation without compromising our quality and customer

service standards and several initiatives have been undertaken to reduce the conversion cost. Our manufacturing facilities in Salisbury, Maryland and Spokane, Washington have led structured improvement projects that have delivered significant conversion cost savings, while at the same time improving safety rate, deviation rate, productivity, batch rejections and service level. We have undertaken numerous energy-saving projects to reduce our utility costs. Several automation projects and increased batch sizes in our operations are leading to efficient headcount utilisation. Our bottoms-up Business Excellence initiative named 'Eureka' in North America and 'Sankalp' in India has allowed employees to come up with suggestions to reduce or eliminate waste in our processes. Our focus on training and process improvements led to a reduction in discards and improved 'Right First Time' (RFT).

At Nanjangud, India, as a part of the continuous improvement journey toward cost leadership/cost optimisation, our business excellence team along with a CFT (Cross Functional Team) of Production, Technical Services and R&D, focuses on the identification of waste across the value chain and eliminating it using a structured approach to improve product quality, RFT, service levels, productivity, planning and yields. They have successfully executed process automation and digitalisation projects.

Continuous Improvements

At Jubilant Pharmova Limited, the Business Excellence function is proactively creating the framework for new improvement strategies which drives competitive advantage backed by a strong execution mechanism and capability. These improvement strategies pertain to all the three critical pillars of the organisation, which are - customer, process and people.

The continual effort of the Business Excellence function is to understand processes and systems, model them using statistics and define crucial measurements which result in superior coordination and integration of processes, learning, reconfiguration and transfiguration. This leads to a competitive advantage, which can be effectively used to leverage Company's competitive strategy. During this journey of continual improvement, we have adopted improvement methodologies in line with the organisation's priorities like Lean Six Sigma, Total Productive Maintenance (TPM) and Business Intelligence (BI) tools like Power BI, Qlik Sense, etc. This year, the Business Excellence function continued to extend efforts towards Lean Lab fundamentals for optimising the efficiencies in Quality Labs. The use of the Internet of Things (IOT) for online Overall Equipment Efficiency (OEE) has helped in understanding our losses in detail and improvement of projects are executed around key losses. In addition, the team facilitated the deployment of Smartsheet for efficient project management across all businesses. This year the use of advance analytical model backed by AI/ML helped in resolving critical quality issue of one of our runner product. Plans are in place to use this for design space optimisation of many more products. As a part of our digitisation journey, Manufacturing Execution System (MES) deployment is under progress and after implementing online Overall Equipment Efficiency (OEE), EBR (Electronic Batch Record) deployment is in progress for next year.

The business excellence infrastructure helps in creating a self-driven/Mission Directed Team (MDT), which drives their operational area towards excellence in alignment to business objective through right accountability and training. For our Salisbury, Maryland plant, this year we used IPT (Integrated Process Teams) concept for engaging team members from all functions which in turn helped in improving our delivery performance and thus the customer satisfaction.

Our technical services teams continue to transfer new products to the manufacturing sites and are developing more efficient processes to optimise the manufacturing capabilities, cost and manpower. At our CMO facilities in the US and Canada, several of the technology transfers have been completed in the record time to provide lifesaving drugs in response to the global COVID-19 pandemic. The knowledge and lessons learned from these rapid transfers are being applied to other transfers to further improve the efficiency of technology transfer processes, without compromising on process robustness, which is one of the critical factors for ensuring reliable supply chain, product quality and patient safety. Recent supply chain challenges of filters, tubings and raw materials have been mitigated by scientifically justifying alternate supplies.

With the vision and support of senior management, a culture of Right First Time (RFT) is engrained in the people involved and processes used to transfer technology from our own R&D centres, clients and from existing manufacturing sites. To further support the RFT vision, an internal corporate policy on technology transfer got published in second half of FY 2022, with clearly defined roles and responsibilities of all functions responsible for the product transfers. As part of its commitment towards continuous improvement, knowledge transfers and enhanced product and process understanding, the company strengthened the technology transfer groups at its manufacturing and corporate sites as part of its commitment to new product introduction, product launches and continuous process improvement.

The technical services/technology transfer groups interface with key functions like R&D, Regulatory, Quality, Business, Supply Chain and Operations to ensure realisation of business objectives. Most importantly, the technical services functions ensure that fundamental knowledge gained during the development is transferred to the manufacturing scale using a robust Quality by Design (QbD) approach.

Continuity

Business continuity is essential for sustenance and the Company has already established a sound strategy. We also executed several risk mitigation projects to qualify alternate sites for key products, qualification of alternate sources for key active ingredients, excipients and components. This provides greater confidence in our overall supply chain with our customers. We see our sustainability programs as key enablers for ensuring business continuity. At Nanjangud, India a comprehensive asset health assessment exercise is carried out to replace the ageing assets in a phased manner to avoid business interruptions and for enhanced compliance levels.

To bring about a cultural transformation across the organisation with a safety and quality mind-set, programs on the Company's Values, safety management system and quality culture transformation, continue to be carried out.

Supply Chain

Globally supply chains continued to remain a bottleneck. However the Supply Chain at Jubilant Pharmova Limited continued its focus on ensuring the availability of all inputs in time to continue manufacturing and ensure timely delivery of our products to customers across the globe. This was achieved despite of global supply constraint and increased volatility in prices of most of the inputs.

Initially the prices increased owing to post COVID-19 demand surge, however in the last quarter, the prices increased due to Russia-Ukraine war. The impact was more severe on all crude & natural gas based products.

The Russia – Ukraine war has significantly impacted the metal prices across the globe. The metal prices including mild steel, stainless steel, aluminium and copper also increased significantly impacting prices of capital equipment.

The global logistics continued to remain a challenge. The port congestion on West Coast of the US, Europe, China lead to increased cost of logistics as well as delay in deliveries. However, Supply Chain at Jubilant had entered in annual contracts with leading global shipping lines which helped us in getting space on vessel and ensured availability of boxes. The global shipping line reliability was 33% in FY 2022, however our reliability of supplies was higher due to our contracts with better shipping lines.

The focus on 'Responsible Care and Sustainability' initiatives in our supply chain management is paramount. The Supply Chain has also identified specific projects for Green procurement which will be implemented in FY 2023. We always encourage micro, small and medium enterprise (MSME) vendors to be part of our supply chain in the area of raw and packing material as well as other material sourcing. We prefer vendors who are closer to our plants and our selection process gives preference to those who are using clean sources of energy, recycling their products and reducing the carbon footprint. We continue to remain platinum member of 'Nicer Globe', a responsible care initiative of ICC for safe and sustainable transportation of chemical products. We are having robust Supplier Code of conduct which is updated from time to time & expect all suppliers to abide by it. We ensure that we are following all regulations and compliances related to supplies. We would like to sincerely thank all our external partners who put extraordinary efforts in maintaining a smooth supply chain during pandemic times.

Way Forward

The financial year 2023 is going to be a challenging year in terms of prices of most of the raw material, packing material and fuels. The year has started with huge supply deficit of coal from Coal India Limited to captive power producers like us. This is going to impact the cost of power as well as of steam significantly. Despite of above challenges, we are

committed to ensure continuity of all our plants by supplying ingredients and fuel in timely manner. To address this, we are closely working with all our suppliers with whom we have strategic relationship. We are continuing to focus on localisation and external manufacturing of all imported products within India. This will not only de-risk us but also help us reduce price of product. Going forward, we shall continue to achieve higher levels of efficiency and productivity across categories with a primary focus on input and logistics cost and digitalisation while ensuring delivery of value to our end customer.

Business Excellence

We are striving towards customer-centricity in our process by leveraging excellence in our processes and methodologies. Our goal is to achieve efficiencies and make our businesses more sustainable. Identification of waste across the value chain and eliminating it by improving product quality, service levels, productivity, planning and yields are integral to our approach.

To bring about a cultural change across the organisation with a 'safety and quality first' mind-set, programs such as Values work-shop, Integrated Process Teams, and Lean Workflow Management are undertaken consistently. Further, cross functional team collaboration has been actively encouraged for solving business problems using Lean Six Sigma approach.

There is a high level of commitment towards leveraging new technologies and automation to deliver breakthrough results and achieve competitive advantage. Dynamic project management through Smartsheet, use of Power BI dashboards and initiation of MES deployment is setting the path for efficient and agile operations. In continuation of our digitalisation journey the use of Artificial Intelligence and Machine Learning backed logistic planning and schedule optimiser tools helped us to leverage faster, efficient and reliable deliveries to our customers. Design space of key products optimised using Python-based advanced modelling techniques and improved product robustness.

Information Technology

Information Technology is the backbone of any business. Robust IT strategy that includes adequate IT infrastructure, integrity, data confidentiality and data availability at all times to achieve our business objectives. The occurrence of any unforeseen threats to information technology systems could harm data availability and continuity of business operations.

Our IT processes are ISO 27001 certified and we follow the NIST Cybersecurity framework which ensures compliance with international standards and frameworks. Various components of information technology like network, operating system, firewall, software license compliance, applications controls etc. are covered under the annual audit plans and appropriate corrective and preventive actions are taken based on audit findings. Requisite redundancies have been built within the IT infrastructure to ensure the availability of information at all times.

Jubilant has an incident management process which ensures that all IT security events impacting critical IT infrastructure are getting logged and monitored round the clock by our Cyber Defence Centre (CDC).

Jubilant has extensively invested in best of the breed cyber security technologies such as MFA (Multi factor Authentication), EDR (End Point Detect & Response), WAF (Web Application Firewall) etc. with specific controls for data privacy and infrastructure security and response capabilities. Technologies are ameliorated with effective incident management process that ensures all IT security events impacting critical IT infrastructure are getting logged and monitored round the clock by our Managed Detection and Response (MDR) centre with automated and proactive responses.

Since employee awareness is an integral part of managing information security risk and creating 'cyber-aware' culture, we provide structured training to the employees through internal and external training programs. Various awareness drives are undertaken to educate employees about current cyber risks.

Cyber disruptions are an inexorable reality hence it is imperative for businesses to function without descriptions due to technology. Jubilant has a well-defined Disaster Recovery (DR) process to ensure that mission-critical applications are available and responsive when required. The DR process has been designed keeping in view global operations and business presence.

Jubilant adopted a cloud-first strategy, which reduced turnaround time and made it possible for businesses to expand rapidly and embrace mobility without having to worry about incidents such as downtime and data loss without compromising global compliances. Rapid cloud adoption helped in building resiliency in the environment.

Jubilant has embarked on a digital journey to identify and automate manual processes to improve the efficient use of resources. Digital projects enhanced production effectiveness and quality and also led to annualised tangible savings with decision making capabilities.

Jubilant deployed a cloud-based customer relationship management tool for effective customer management by capturing the customer needs, identifying the business opportunities and serving the current customer base. CRM is agile to adapt to dynamic business environments.

Jubilant invested in state-of-the-art tools and technologies to ensure seamless collaboration and efficiently manage business operations. Project management tools also have been deployed for effective management of projects across the organisation. These collaboration tools and technologies helped organisations amid the COVID-19 pandemic to work without any productivity loss.

Human Resources

We continued to focus on safety & well-being of our employees and their family, guided by Our Promise of Caring, Sharing, Growing and in line with our 'Employee First' approach.

During the COVID-19 pandemic last year, we ensured all safety and precautionary measures were put in place at all our workplaces, supported employees and their families with the necessary resources and assistance and built mechanisms for a personal and daily connect with all those effected. To maintain business continuity, we established workplace rules (which also prevented exposure of the employees to COVID-19) and encouraged Work From Home.

Employee mental and emotional well-being became the centre point of our initiatives. We conducted multiple sessions/communications to build awareness about importance of mental health and wellbeing amongst employees. We launched #JubilantCares – an Employee Well Being and Assistance Program (EWAP) positively impacting over 1000 employees in association with a leading partner in this space. Through this initiative, employees were able to seek confidential counselling service for themselves and family members; access resources and have ready tools to manage stress and build mindfulness.

With our commitment to grow talent from within, we launched an Online Development Centre for our high potential employees and successors for critical roles. This was followed by robust development planning and actionable. We continued to focus on our talent strategy and further strengthened our succession pipeline identification via psychometric and 360 assessments in association with one of the top names in this space. Learning for employees is supported by quarterly program calendars, Virtual Instructor Led Training (VILT) and eLearning.

Jubilant has always believed in contributing towards and promoting the Inclusion & Diversity agenda. With this belief and commitment we launched impactful initiatives including leadership inclusion immersion journeys, formation of cross-function teams to drive gender diversity and inclusion and creation of an eco-system where everyone has a voice, everyone is heard, everyone can bring their whole selves to work and everyone is encouraged to succeed. Further, our focus on hiring diverse talent has helped us set specific goals that reflect our leadership team's expectations. Tracking diversity hiring via digital dashboard helps us to be on track and measure progress towards this endeavour.

As part of our digital transformation agenda, we continued to amplify our employee experience and digitised our R&R program 'Applause'. This received an overwhelming employee response. Continuing with the legacy of 'Chairmen's Annual Awards'- the highest and the most prestigious awards at Jubilant, we enhanced the digital engagement experience. The virtual event was streamed globally simultaneously, leading to the highest-ever viewership & engagement rate.

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As an employer, it's important to take the opportunity to focus on how new joinees are welcomed. From the time an offer is extended until the day the employee comes on board and becomes productive, the on-boarding experience can be used to create a foundation for long-term success. With this intent, we launched a digitised 'New Hire Pre-On Boarding' platform which provides an overview of the Company's multi businesses and culture and helps the new joinee engage with us before they are onboarded.

The pandemic brought seemingly instant and significant changes to the hiring processes around the globe. As an organisation, we responded and brought about immediate changes to hiring, including one of the most noteworthy hiring activities - campus recruiting. In 2021 campus hiring went completely virtual where we strengthened our association with more than 20 management and engineering academic partners.

Analytics is critical to us, we continue to enhance our systems and processes to measure our processes' health across the globe so that we can take faster and better decisions. Further, our global analytics helps in maintaining data integrity, ensuring better process governance and control, enhancing processes and delivering higher productivity.

We continue to strengthen our performance management process to drive a culture of performance.

Environment Health and Safety (EHS)

Our vision is to achieve and maintain the highest standards of EHS performance that ensure compliance to regulatory requirements and strengthen our commitment towards our stakeholders. Our promise is that with utmost care for the environment and safety we will always strive to excel in the quality of our processes, products and services.

The Company's operations are spread across different geographical regions and are subject to a wide range of EHS laws and regulations. In North America, we are regulated by various safety, health and environmental agencies and authorities including the United States Environmental Protection Agency (US EPA), Occupational Safety and Health Administration (OSHA), United States Nuclear Regulatory Safety Commission, Committee on Standards, Equity, Health and Safety at Work (CNESST, Quebec), Canadian Nuclear Safety Commission (CNSC), United States Boards of Pharmacy and Environment and Climate Change Canada. In India, we are regulated by various environmental agencies and authorities including the Central Pollution Control Board (CPCB) and State Pollution Control Boards. We require certain statutory and regulatory permits and approvals to operate our business, including environmental clearances. Regulatory compliance is a responsibility we take very seriously. Any failure to procure, renew or maintain the required permits or approvals or any violations of EHS requirements may result in substantial fines or penalties, the imposition of other civil or criminal sanctions, clean-up costs, claims for personal injury or property damages, restrictions on or the suspension of our operating permits or activities. Any such violation may also lead to interruption of our operations and may have an adverse effect on the Company's financial condition, results of operations and profitability. With this in mind, we have implemented a cloud-based compliance management and reporting system, Conformity, across key entities in North America and India. The system includes a comprehensive check-list of applicable compliances for the businesses of Jubilant Pharmova Limited. The purpose of this robust system is to further strengthen the governance towards compliance management in line with our business objectives.

We are aware of the rapid changes in the business environment such as increased global competition; more rigorous customer and societal demands; and extensive investor requirements. To tackle these challenges and ensure sustainability, excellence in cost, quality and services, we treat Environment, Health and Safety as a topic of utmost importance to us. We are committed to protecting the environment and ensuring the health and safety of our employees, customers and the public.

Over the years, EHS excellence has been extensively promoted as a part of our culture. It is also clearly reflected in our policies on sustainability, EHS, climate change and green supply chain. Our senior management has the ultimate responsibility and accountability for these initiatives. Performance reviews across the business regularly look at EHS key performance indicators (both lagging and leading) to reinforce leadership commitment towards employee safety, well-being and environmental sustainability. Inputs are also integral to our major business decisions, such as new product development, facility enhancements and contractor/vendor relations.

The Company takes appropriate steps to ensure that our employees, the community at large and the environment, including natural resources, are protected. Leaving minimal environmental footprint is integral to our EHS philosophy. On the road to achieving excellence, we have adopted a top-down approach and have been enhancing the impact of initiatives by

making it a line function responsibility through active employee consultation and participation. Efforts have been regularly implemented to drive a common governance approach on EHS across the board, and to adopt management programs and systems that follow a standard framework for deployment, but with the flexibility to tailor-fit local regulatory and other location specific requirements.

Caring for the environment is a core corporate promise and as a part of this commitment, requisite capital expenditure is being incurred on process improvements as well as upgradation of environmental management facilities using the latest technologies. While end-of-the-pipe solutions are implemented, we are also making progress on initiatives for the reduction of waste at source. Efforts to process more by-products and waste to make them reusable are paying off in terms of ecological and economic impact.

We implemented a sustainability tracker to track the progress of our sustainability projects within Jubilant Pharma Limited and these projects are reviewed on a monthly basis during our global EHS monthly update calls.

Investments are regularly made for the up-gradation of process safety and enhanced process controls at our sites. We implemented a new EHS solution, GenSuite, which is a cloud-based management system that provides integrated EHS applications into a suite of tools specific for each business. The applications are related to the management of corrective actions, incidents recording, incident investigation, data mining, auto notifications, compliance calendar among others. GenSuite allows for greater flexibility in data collection that matches our business needs and helps drive consistency in terms of tracking EHS challenges and ultimately improve our overall performance.

We worked on enhancing the capabilities of Gensuite as part of our continual improvement strategy, to help provide a better user experience and reporting of data. One such enhancement is the development of a safety observations reporting tool called iCare in Jubilant Pharma Limited covering all of our North American sites. Safety observations tool use computer as well as mobile technology to capture safe and unsafe behaviours and conditions and are tracked in the system till closure. Another enhancement in Gensuite is to unify all incidents and accidents

reporting under one common reporting system to provide a better user experience and tracking and reporting of data. We also implemented 'HumanTech' which is a cloud-based software utilising artificial intelligence technology to assess ergonomic risks in our manufacturing operations and provide solutions to systematically address them. Workshops were conducted to train our employees so that they are able to perform assessments using the software. Our Jubilant DraxImage Radiopharmacies (JDR) business in the US introduced a driver safety training program called 'Driver Insights' offered in collaboration with our fleet management vendor ARI which includes an electronically delivered Driver Skill Assessment and training to specifically address skill gaps. Our fleet in the US also utilises GeoTab which is a GPS based telematics solution which provides crucial driver behaviour information and helps is ensuring the overall efficient operation of our vehicles.

Our personnel stay updated through various external and in-house training programs, including special training programs by external experts and consultants.

We engaged a Scotland based consulting company called STC Insisio to deliver Incident Investigation and Root Cause Analysis training for a group of employees. Their flagship and trusted investigation and root cause analysis solution COMET is considered best in class at reactive investigations and also provides users with the ability to pivot into proactive investigations. More training is planned this fiscal year.

We engaged with an external expert agency for strengthening our safety management system as part of our Occupational Health and Safety strategy. The two-year project includes implementation of global OH&S Standards, competency building of the people, development of safety KPIs and driving safety governance across all the levels of the organisation till top management level.

Approach towards continual improvement of the operational discipline at workplace to develop positive safety culture through 'Plan-Do-Check-Act' cycle. (PLAN– start with a set of goals defined at the workplace based on the severity of risks, DO- create awareness on the requirements & execution of the plan. Regular guidance by the functional leads on the implementation of set goals; CHECK- evaluate the workplace practices through safety inspections & Safety GEMBA rounds. Scoring the performance based on verification of implemented goals; ACT- evaluate the high moments and low moments of the workplace practices, applause the high-performing teams, addressing on the low moments

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focusing towards compliance through counselling & handholding the particular low performing teams. Once the set goals are sustained, new goals are incorporated after defined period as part of planning).

Our technical approach in anticipation, recognition, evaluation and control of those environmental factors or stresses arising in or from the workplace, which may cause sickness, impaired health and well-being or significant discomfort among people or among the citizens of the community using Industrial hygiene practices enhancing our safety management system towards achieving the organisational Vision & Mission.

The programs are critically evaluated by our clients and customers on a regular basis and have served as an important enabler to further improve our EHS performance. Our growing and capable team is proactively engaged in systematically assessing our operations by conducting audits, inspections, training and awareness sessions, thereby ensuring our EHS safeguards are effective, efficient and delivering the intended results.

Despite the unprecedented COVID-19 crisis, we have continued to spread awareness and ensured safety and health of the employees as well as neighbouring communities. Some of the steps taken by us included:

- Rapid Response Team created at the corporate office, manufacturing and research facilities
- Creating a resource centre on office intranet for accurate information on the pandemic

- Providing training and guidance on COVID-19 to employees, partners and vendors
- Distributions of leaflets at manufacturing facilities on COVID-19 awareness
- Advising self-isolation (14 days) and testing to employees experiencing any flu like symptoms
- Advised employees not to travel
- Continuous sanitisation and fumigation of all offices and manufacturing facilities
- Sanitisation of vehicles entering Company's premises
- Transportation facilities for employees to avoid using public transport
- Restricting entry of visitors
- Investigation process to track exposure in the event of a positive onsite COVID-19 case
- Hand sanitisers placed at all the common areas, entry and exit
- Daily monitoring of body temperature of working employees using Infra-Red (IR) thermometers
- Stopping biometric attendance for all the employees
- Introduction of Work from Home (WFH)
- Maintaining social distancing at work place including at manufacturing sites

Corporate Social Responsibility (CSR)

Our approach towards sustainability rests on triple bottom line of Economic, Environmental and Social performance. Corporate Social Responsibility (CSR) is an imperative part of our framework for sustainability. All CSR activities are in accordance with the provisions of Section 135 read with Schedule VII of the Companies Act 2013 and are implemented through Jubilant Bhatia Foundation (JBF), the social development arm of Jubilant Bhartia Group, established in the year 2007.

The CSR interventions of our Company are also in line with the United Nations Sustainable Development Goals (SDGs). The CSR projects primarily lay emphasis on empowering the communities around the area of operations of our Company through 4P model (Public-Private-People-Partnership). Jubilant Pharmova Limited acts a catalyst and facilitates the implementation of the project and participation of community to bring out the optimal outcomes.

JBF's detailed activities are available on its website www.jubilantbhartiafoundation.com. It works with the vision is to create a positive impact on society through strategic multi-stakeholder engagement and bring about a 'social change' involving knowledge generation and sharing, experiential learning and entrepreneurial ecosystem through JBF.

Following are the highlights of our CSR activities:

- CSR is extensively weaved-in the sustainable development charter of the Company. We consider community as one of the apex stakeholders and believe in inclusive growth
- Jubilant Pharmova Limited has been publishing its Corporate Sustainability Report every year from 2003. The report is externally verified and is in accordance with the Global Reporting Initiative (GRI) guidelines
- We have achieved and maintained level A+ by GRI for our Corporate Sustainability Report since 2007. FY 2018 onwards the Sustainability Report of the Company is aligned with the Global Reporting Initiatives' GRI Standards which is in accordance with the 'Comprehensive' option. All the reports are available on the Company's website
- During FY 2021, the Company instinctively supported its people and the community around its manufacturing locations amidst the COVID-19 pandemic. The Company strategised and re-structured its development initiative for the people in marginalised and remote areas, supporting them to continue their lives during the pandemic. The projects were designed keeping in the safety and vulnerability of the community around the manufacturing locations
- Three major projects which helped the Company to sustain its engagement with the community are:
    - JubiCare Tele-clinic, a telemedicine application, conceptualised and developed by Jubilant Bhartia Foundation. This telemedicine interface provides a real-time patient-doctor consultation through text/audio/ video. JubiCare app uses ICT for the exchange of information for the diagnosis and treatment of diseases by a certified medical professional.

The application aims at addressing the health issues of patients by health workers without unnecessary exposure to infections. The application provides immediate support and delivery of healthcare services to the underprivileged communities in rural and urban areas without traveling

- E- Muskaan, supporting education through digital literacy is ensuring the continuity in learning of students in rural areas by promoting the digital education inclusion of the last mile learners; thereby, facilitating cognitive growth. The Company has partnered with iDream Social Edtech Foundation and engaged in facilitating digital education in local languages to provide e-content free of cost to students at all project 'Muskaan' schools across the locations

- JubiFarm, strengthening livelihood by facilitating access for farmers to modern and sustainable farming methods. This is a sustainable and multi-stakeholder initiative that is conceived to enhance the profitability and generate income opportunities in farming for migrants returning to their native homes. The initiative recognises both male and female as equal stakeholders of the farmland

- Jubilant Pharmova Limited developed a strategy to mentor young adults as future Youth Leaders under its Muskaan Fellowship project. These Youth Leaders, in turn, will become the goodwill ambassadors for the Company

- The Company's Jan Sanchetna initiative has been formulated to focus on establishing village-level Emergency Preparedness Team (ERT) in line with Village Disaster Management Committee (VDMC). The ERT is working in coordination with the plants at each location to strengthen the offsite emergency plan

We look forward to continuing our CSR programs with greater zeal and strong commitment. The organisation will continue adding value to the lives of the community, which it considers to be an apex stakeholder.

Internal Control Systems and Risk Management

Risk-taking is an inherent trait of any enterprise. It is essential for the growth or creation of value in a company. At the same time, it is important that the risks are properly managed and controlled, so that a Company can achieve its objectives effectively and efficiently.

Internal Financial Control Framework

Section 134(5)(e) of the Companies Act, 2013 requires a company to lay down Internal Financial Controls (IFC) system and to ensure that it is adequate and operating effectively. Internal Financial Controls means the policy and procedures adopted for ensuring the orderly and efficient conduct of its business. The above requirement has the following elements:

- Orderly and efficient conduct of the business
- Safeguarding its assets
- Adherence to Company's policies
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records and timely preparation of reliable financial information

At Jubilant Pharmova Limited, an Internal Financial Controls (IFC) system has been established and incorporates all the above five elements. In addition, our Company has a transparent framework for periodic evaluation of the Internal Financial Controls in the form of perpetual internal audit exercises and quarterly online controls self-assessment through Controls Manager software, thereby reinforcing the commitment to adopt best corporate governance practices.

Policy and procedure adopted by the Company to adhere to IFC elements are given below:

Orderly and Efficient Conduct of Business

The Company has an established organisational structure, which defines the roles and responsibility relationship. The Company has a formal financial planning and budgeting system encompassing short-term as well as long-term planning. In order to ensure that decisions are made and action are taken at an appropriate level, the Board of Directors of the Company have formulated the Delegation of Authority, which has been designed to ensure that there is judicious balance of authority and responsibility. The adherence to the Delegation of Authority is a part of the internal audit plan. The Company also has a risk management framework which has been discussed under the heading 'Our Vision on Risk Management'.

We have implemented a web-based automated compliance management and reporting system. The objective of the system is to ensure that the compliances are regularly monitored and controlled with a view to support the Company's business objectives and corporate policy requirements. The system includes a comprehensive checklist for ensuring compliance with the laws and regulations applicable to all plants and offices of the Company. To ensure timely and effective compliances, the compliance status is monitored on a real-time basis by the respective functions. The status is presented by the legal team and reviewed on a quarterly basis by the senior management and the Board of Directors. Pursuant to the 'Listing Regulations', the Company Secretary and Compliance Officer present a compliance report to the Board of Directors on a quarterly basis.

Safeguarding of its Assets, Adherence to the Company's Policies

The Company has taken an Industrial All Risk (IAR) policy for its plants as well as a fire policy for the Corporate Office to safeguard its assets. It also carries out physical verification of its assets. The Company has two-tier policies and procedures: Entity Level Controls and Process Level Controls. The entity-level controls include a comprehensive Code of Conduct. The Company also has a Whistle Blower policy and any employee of the Company can directly write to the Ombudsperson. We also have process level controls which cover a wide range of key operating, financial and compliance related areas like Accounting, Order to Cash, Procurement to Payment, Inventory and Production, Treasury, Legal, Forex, Fixed Assets, Direct and Indirect Tax, Research and Development (R&D) and Information Technology General Controls (ITGC).

Self-assessment certification of controls is being done by the control owners through a verifiable and transparent process and such certification is reinforced by activity and location owners, as they give in-principle approval to the self-assessment by the control owners. Result of Controls Manager certification is prepared and presented to the audit committee every quarter by the Chief Financial Officer (CFO) for exception review.

Controls certification is also being validated by the in-house team through a review of the assertions certified by the Control Owners on sample basis regularly across business units, plants, branches and corporate office and validation results of Controls Manager certification are prepared and presented annually to the audit committee. The policies are periodically reviewed and refreshed in line with the changes in business and regulatory requirements.

The audit committee, on a quarterly and annual basis, reviews the adequacy and effectiveness of the internal controls being exercised by various business and support functions.

Prevention and Detection of Frauds and Errors

Due to the presence of a strong Code of Conduct and Whistle Blower policy, it is generally expected that serious frauds will not take place. In order to prevent and detect frauds and errors, Ernst & Young LLP (E&Y) internal auditors carries internal audit activity. Action points and suggestions made by them are discussed in sub-audit committee meeting before presenting the same to the audit committee. Subsequently, follow-up audits are also carried out by in-house internal audit team/internal auditors to ensure implementation of the suggestions. In addition, special audits are carried out by in-house internal audit team/internal auditors in areas that may be vulnerable to fraud.

Accuracy and Completeness of the Accounting Records and Timely Preparation of Reliable Financial Information

Financial consolidation is carried out through an Enterprise Resource Planning system called Hyperion, thereby minimising the chances of manual errors. The financial information is verified by the statutory auditors on a periodic basis as per the requirements of the Companies Act, 2013, Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), Institute of Chartered Accountants of India (ICAI) guidelines, etc. The Company provides structured training to the accounts and finance team on a wide range of topics covering Ind AS (Indian Accounting Standards), IFRS (International Financial Reporting Standards), Companies Act, 2013, Direct & Indirect taxes, etc. through in-house and outside experts.

Implementation of Internal Financial Controls

To compete globally, world-class Corporate Governance and financial control over operations are necessary for the Company. The Internal Financial Controls as mandated by the Companies Act not only requires a certification from CEO and CFO but also put an obligation on the Board of Directors to ensure that the Internal Financial Controls are adequate and operating effectively. Besides this, the statutory auditors are also required to give an opinion on the adequacy and effectiveness of Internal Controls over Financial Reporting (ICFR).

To make the Internal Financial Controls framework robust, we have worked on three lines of defence strategy, which is as under:

- *First Line of Defence:* Build internal controls into operating processes - to this end, we have ensured that a detailed Delegation of Authority is issued, Standard Operating Procedures (SOPs) for the processes are created, financial decision making is done through Committees, IT controls are built into the processes, segregation of duties is done, strong budgetary control framework exists, the entity level controls including Code of Conduct, Ombudsperson office etc. are established.

- *Second Line of Defence:* Create an efficient review mechanism - we created a review mechanism under which all the business units and functions are reviewed for performance at least once a month by the respective Chief Executive Officers (CEOs) and once in a quarter, by the corporate team. The formats for these reviews are detailed and finalised with the help of global consulting firms.

- *Third Line of Defence:* Independent assurance - we have appointed E&Y as our internal auditor to perform a systematic independent audit of every aspect of the business to provide independent assurance on the effectiveness of the internal controls and highlight the gaps for continuous improvement.

A program has been developed under which more than 1,500 financial controls have been established and certified on a quarterly basis by the relevant process owners before the financial results are closed for the quarter. A quarterly certification process is maintained through a workflow based IT tool called 'Controls Manager' and this certification is the basis of the 'CEO-CFO certification' of internal controls as per Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

The Company regularly updates the control library and risk and control matrix. The statutory auditors tested the updated control framework for operational effectiveness and they have given an affirmative opinion about the adequacy and effectiveness of Internal Controls for financial reporting in the Company.

The Company has three business segments namely:

a) Pharmaceuticals

b) Contract Research & Development Services and

c) Proprietary Novel Drugs

The segments have a complete management setup with CEO, Chief Financial Officer (CFO) and other functional heads who are responsible for running the operations and report to the Chairman/Co-Chairman and Managing Director (CCMD) and the Corporate Committee.

To improve the controls in operations, we have established, for each line of business, the concept of financial decision-making through operational committees. The entire purchase, credit control and capital expenditure decisions are taken jointly in committees. The key roles of these business committees are as under:

- Supply Chain Committee, which ensures high-quality purchases at economical cost and maintains reliability of supplies from reputed suppliers with long-term relationships. This committee includes CEO, CFO, Head of Supply Chain and the relevant BU (Business Unit)/ Functional Head.
- Capex Committee, which ensures cost reduction with proper negotiation and monitors time and cost overrun. This committee includes CEO, CFO, Head of Project, Head of Supply Chain and the relevant BU Head/ Functional Head.
- Credit Committee, which evaluates the credit risk and approves the maximum credit, which can be provided to a customer. This committee approves the credit limits at the beginning of the year and is empowered to make changes as and when required. This committee includes CFO and the BU Head.
- Business Performance Committee, which reviews the business performance on a monthly basis. This committee includes CEO, CFO, Functional Heads and the relevant BU Head.

In addition, to maintain periodic review and control, we have a structured weekly meetings between the corporate team and the business leadership team. Through this meeting, the corporate team keeps itself abreast of the latest business developments and guides the business team to undertake mid-course corrections, if required. This meeting also provides a forum for obtaining the relevant approvals required from the corporate team as per Delegation of Authority. Participants at this meeting are Chairman/ CCMD from the Corporate side, CEOs and CFOs from the business side.

Further, a detailed quarterly review of the business performance with the Chairman/CCMD and the corporate committee is organised to identify any gaps in performance and to consider mid-course corrections.

We have implemented a web-based automated compliance management and reporting system. The objective of the system is to ensure that the compliances are regularly monitored and controlled with a view to support the Company's business objectives and corporate policy requirements.

Risk Management Vision

To establish and maintain enterprise-wide risk management capabilities for active monitoring and mitigation of organisational risks on a continuous and sustainable basis.

Risk Management Strategy

We have formed a strong risk management framework that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. We have established processes and guidelines, along with a strong overview and monitoring system at the Board and senior management levels. Our senior management team sets the overall tone for risk minimisation culture through defined and communicated corporate values, clearly assigned risk mitigation responsibilities, and appropriately delegated authority. We have laid down procedures to inform Board members about the risk assessment and risk minimisation procedures. As an organisation, we promote strong ethical values and high levels of integrity in all our activities, which by itself significantly mitigates risk.

Risk Management Structure

Our risk management structure comprises the Board of Directors, Risk Management Committee and Audit Committee at the apex level, supported by CEOs, CFOs, Functional Heads, Business Heads and Head of Management Assurance function. As risk owners, the heads are entrusted with the responsibility of identification and monitoring of risks. These are then discussed and deliberated at various review forums chaired by the CEOs and actions are drawn upon. Progress against the risk management plan is periodically monitored. The Risk Management Committee, Audit Committee, CEOs, CFOs and Head of Management Assurance act as a governing body to monitor the effectiveness of the Risk Management and Internal Financial Controls framework.

Risk Mitigation Methodology

We have in place a comprehensive internal audit plan and a robust Enterprise Risk Management (ERM) exercise which helps to identify risks at an early stage and take appropriate steps to mitigate the same.

Each business head updates the risk register and identifies top risks for the business.The CEO and CFO then consolidate top risks and report them periodically to the Risk Management Committee along with a mitigation plan.

We have a quarterly certification process wherein, the concerned control/process owners certify the correctness of entity level and process level controls. The certification process has been in operation for more than nine years and covers over 1,500 controls. The process level controls cover a wide variety of key operating, financial and compliance-related areas while entity level controls cover integrity and ethical values, adequacy of audit and control mechanism and effectiveness of internal and external communication, thereby, strengthening the internal financial control systems and processes with clear documentation on key control points. This has made our internal controls and processes stronger and serves as the basis for compliance with the provisions of the 'Listing Regulations'.

Management's Assessment of Risk

The Company identifies and evaluates several risk factors and draws out appropriate mitigation plans associated with the same. Some of the key risks affecting its businesses are laid out below:

1.Manufacturing Operations Risk

As a pharmaceutical manufacturer, our manufacturing facilities are required to comply with extensive US FDA and several foreign regulatory authority requirements, including ensuring that quality and manufacturing processes conform to current Good Manufacturing Practices (cGMP).

During the financial year ending on March 31, 2022, various regulatory authorities inspected our facilities. Jubilant Pharma Limited sites in North America were inspected by Health Canada (CMO Montreal, Canada facility) and by US FDA (Spokane, Washington facility). The Health Canada inspection at CMO Montreal in October 2021 concluded with the GMP certificate being issued following the close of the inspection. The US FDA inspected the Spokane, Washington facility in August 2021, which resulted in the inspection being classified as Voluntary Action Indicated (VAI). The Jubilant Pharma Limited sites in North America are operating in a state of GMP compliance based on the inspection history at each of the sites.

The Nanjangud, Karnataka, India site continues its remediation efforts with respect to the Official Action Indicated (OAI) status with the US FDA received in 2019. We continue to work with the US FDA to bring the regulatory status of this facility to a complete state of compliance.

Our Solid Dosage Formulation facility at Roorkee, Uttarakhand, India which manufactures and distributes finished solid dosage pharmaceutical products, received import alert notification from the US FDA in July 2021 after the site was inspected by the agency in March 2021 In early August 2022, the USFDA conducted audit of the Roorkee facility and issued six observations. The Company will submit action plan on the same shortly. The Company continues to engage with the US FDA and take all necessary steps, including comprehensive assessment and engaging independent consultants, to ensure further controls to resolve the import alert at the earliest and ensure cGMP compliance for the Roorkee facility

Risk Mitigation Plan

- We are committed to business process improvement by means of automation and providing timely training to workers, establishing clear Standard Operating Procedures (SOPs) and process guidelines, which will lead to a reduction in cycle time and improvement in productivity
- We continue to improve and harmonise our quality systems to ensure compliance with ever evolving regulations
- We have formed a dedicated team to address the import alert issue. This team includes highly specialised consultants, who have wide experience in resolving such issues. This team will not only remediate the gaps identified by USFDA but will also take a holistic approach towards further improvising our cGMP quality systems, in addition to implementing a comprehensive program to improve our processes, this team will also proactively address all the gaps identified
- We are working very closely with the Agency and are providing them with regular updates and progress on the highlighted findings during the inspection
- We continue to deliver safe and effective products to our clients in a timely manner. In the true spirit of continuous improvement and to be in line with the latest industry standards and trends, we will continue to make significant investments in our people, strengthen our processes, bring state-of the-art technologies and further develop our in-house expertise

2.Information Technology (IT) Risk

Today, Information Technology has become the backbone of any business. Robust IT strategy that includes adequate IT infrastructure, integrity, data confidentiality and data availability at all times is key to achieving our business objectives. Occurrence of any unforeseen threats to information technology systems could have an adverse impact on data availability and continuity of business operations.

> Our Information security framework is certified for ISO/IEC 27001 Standards, which ensures that all the information assets are adequately safeguarded

Risk Mitigation Plan

- Our Information security framework is certified for ISO/IEC 27001 Standards, which ensures that all the information assets are adequately safeguarded
- DR (Disaster Recovery) site has been setup on cloud for the India side
- There is an information security steering committee at the apex level, which gives directions and resources to manage information security of the Company
- All the IT security events affecting critical IT infrastructure are being logged and monitored round the clock by our Cyber Defence Centre (CDC)
- Most of the IT assets are hosted in the ISO certified data centres, which are subject to appropriate physical and logical access controls
- Requisite redundancies have been built within the IT infrastructure to ensure availability of information at all times
- We also publish a monthly information security newsletter to create end-user awareness about information security risks and mitigation strategies
- During the reporting period, the Company strengthened its cybersecurity controls and focused on enabling swift action on risks emerging across the businesses

3. Decline in Financial & Operational performance

The Company has long-term liabilities, which require the Company to comply with certain financial covenants. In the event of any significant decline in Company's operational and financial performance, there may be a situation where the Company is not able to comply with those financial covenants.

Risk Mitigation Plan

The Company is taking several steps to improve its financial performance including resolving the regulatory status at both Roorkee (Solid Dosage Formulations) and Nanjangud (APIs) facilities which shall ensure substantial improvement in operational & financial performance.

4. Uncertainty due to COVID-19

The impact and uncertainty due to COVID-19 pandemic have relatively eased off during the year. However, in the event of any new wave of infection, we might have an impact on our employees and business.

Risk Mitigation Plan

At Jubilant, as we continue in our endeavours to fight COVID-19, our priority remains the well-being of our employees and business continuity for our clients.

- We continue with several measures to help our employees and their families, including establishing vaccination centers and providing them access to medical care facilities. We facilitated vaccination drives for employees and dependents, including booster doses by conducting vaccination camps for the benefit of employees
- We continue to maintain strict COVID-19 protocols over the last two years, at our all locations including our research and manufacturing sites
- Amid these transitions and pandemic-related uncertainties, the well-being of our employees has become a critical focal point. We continue to have several well-being initiatives for our employees, including sessions with experts on mental-health, self-care along with sessions on creating a healthy work-life balance

5. Dependence on Certain Key Products and Customer Risk

The Company depends on certain key products and key long-term contracts with customers for a significant portion of its total revenue and any events that adversely affect the markets for key products or key contracts may adversely affect its financial condition, results of operations and profitability.

Risk Mitigation Plan

Our R&D team has taken a pro-active approach to introduce new products, by deploying various technological platforms and capabilities. New products continue to get developed by experienced and talented R&D teams which work in alignment with the marketing strategy by developing new cost effective products/processes.

We continue to sharpen Customer Relationship Management (CRM) and secure long term contract with our customers. Our business team focusses on identifying new profitable markets or increasing the share of business in existing markets.

6. Dependence on Single Manufacturing Facility Risk

Some of our products are produced by a single manufacturing facility. For instance, Allergy products within Specialty Pharmaceuticals are solely produced by our manufacturing facility Jubilant HollisterStier LLC in Spokane, US and our Radiopharmaceutical products are solely produced by our manufacturing facility Jubilant DraxImage Inc. in Montreal, Canada. Similarly, the manufacturing facility in Nanjangud, India is the sole manufacturing facility for APIs.

Risk Mitigation Plan

Though our Pharmaceuticals business is fairly diversified and is not dependent upon one site, however, we are exploring options for diversifying manufacturing presence for some of our businesses such as APIs.

Furthermore, the Company is working on developing alternative manufacturing site for its radiopharmaceuticals products through technology transfer.

7. Supply Interruptions Due to Few Suppliers Risk

In our Pharmaceuticals segment, which includes Solid Dosage Formulations, APIs, Radiopharmaceuticals and commercial Radiopharmacy businesses, for some of our key raw materials, we have only a single or a few external sources of supply and alternative sources of supply may not be readily available.

Risk Mitigation Plan

- We have an effective strategy to mitigate these risks by developing alternative suppliers on a continuous basis that minimises any order cancellations and decrease in revenues. The Company is able to de-risk and significantly reduce the percentage of single source value during the last financial year
- We identified common suppliers and initiatives were taken to consolidate spending between various businesses to leverage procurement from common suppliers
- We have established long-term supply arrangements with suppliers to ensure uninterrupted material availability

8. Human Resources - Acquire and Retain Talent Risk

Given the nature and complexity of the regulatory regime of the pharmaceutical industry and our dependence on R&D activity, it is imperative that we recruit and retain high quality R&D specialists and Quality Control personnel. Lack of credible, talented successors or effective knowledge transition mechanism may adversely affect operations.

Risk Mitigation Plan

- As a part of our strategic talent and succession management process, the leadership invests valuable time in identifying high potential candidates and planning their development for succession to critical positions
- We conduct the leadership development program and the 360-degree feedback mechanism for these employees based on the leadership competency framework
- Management employees at critical positions enrol in customised general management programs at premier institutes to prepare for larger roles and build cross-functional capability in the organisation
- We have launched a Learning Management System (LMS), which comprises an extensive collection of training and learning resources and can be accessed by all employees through the online portal

We have launched a Learning Management System (LMS), which comprises an extensive collection of training and learning resources and can be accessed by all employees through the online portal

- We conduct regular communication forums in the form of town halls, skip-level meetings and new joiner assimilation programs to understand employee concerns and a structured mitigation process is developed for effective redressal
- We ensure that there is full adherence to the Code of Conduct and fair business practices are followed

9. Compliance and Regulatory Risk

Our business operates within a highly regulated environment and regulatory affairs play a vital role in the development of all businesses. Due to constantly increasing regulatory obligations, new requirements as well as globalisation of market, the demands and responsibilities of business in terms of regulatory readiness are becoming stringent. We deal with various international regulatory agencies like US FDA, EU agencies, Australian agency, Canadian agency, World Health organisation (WHO), Central Drugs Standard Control Organisation (CDSCO), India and various other international regulatory agencies in different parts of the world pertaining to drug substances and drug products.

Risk Mitigation Plan

- We have adopted measures to address these stringent regulations by increasing the efficiency of our R&D process, reducing the impact of extended testing, timely submission of dossiers and ensuring timely product availability

- We are proactively following-up with regulatory authorities regarding pending approvals and queries raised by authorities are addressed promptly

- We have also put in place a compliance management system to ensure compliance with all applicable laws and regulations

- We have a dedicated team of experts whose knowledge ensures that the global regulatory compliances are met and we can build competitive advantage

- We also undertake training and orientation programs to keep the relevant process owners updated on new regulations and changes in the existing laws

10. Competition, Cost Competitiveness and Pricing Risk

Being a global manufacturer Jubilant Pharmova Limited is exposed to pricing risk both as a buyer and seller. Concentration of raw material procurement to a few suppliers may lead to unfavourable and unethical price setting by suppliers, thereby eroding financial margins and affecting competitiveness. The competition we face in some of our businesses is described in detail below:

Specialty Pharmaceuticals

Many of our competitors have substantially greater experience in the development and marketing of branded, innovative and consumer oriented products. Other risks are the introduction of generic versions when our proprietary products lose their patent protection or any new entrants into a Generics market in which we are already a participant. In addition, distributors of our products could attempt to shift end-users to competing diagnostic modalities and products. Our current or future radiopharmaceutical products could be rendered obsolete or uneconomical because of these activities.

Risk Mitigation Plan

We aim to differentiate through improvement in our service quality, provision of added services such as product development, targeted formulation, laboratory analytical services as well as superior technical expertise.

Contract Development and Manufacturing (CDMO)

There is intense competition in the market for CMO and APIs we need to identify and partner with a generic drug manufacturer that will use our APIs in their formulation or wait for our solid dosage formulations to receive the requisite approvals. The regulatory approval process for new suppliers of APIs to generic manufacturers imposes significant timing constraints in bringing products to market.

Risk Mitigation Plan

- New products continue to be launched by experienced and talented R&D teams. The in-house R&D team further develops cost-effective products by redefining the production process

- For some of our generic formulations, we have captive manufacturing of APIs to ensure timely material availability and effective cost control to focus on improving profit margins

Generics

Pricing pressure could arise from competitive products being introduced into a particular product market, price reductions by competitors, the ability of competitors to capitalise on their economies of scale to create excess product supply, the ability of competitors to produce or otherwise secure APIs at lower costs than what we are required to pay to our suppliers. In our Solid Dosage Formulations business, any delay due to failure in bioavailability and bioequivalence studies or regulatory approvals may significantly reduce our capability to gain market share in this business.

Risk Mitigation Plan

- Increasing penetration in other geographical regions and strengthening our supply position with our existing strategic customers through competitive offering to achieve a higher share of customers' business

- Building long-term relationships with key customers by offering improved quality and service experience

- Building economies of scale in manufacturing, distribution channels and procurement to maintain cost advantage and sustained entry barrier

- Introducing cost improvement initiatives and manufacturing efficiency improvement plans at plants by undertaking projects under Business Excellence programs
- Significant R&D has been done to improve raw material and utilities consumption and increase manufacturing efficiency
- Developing external manufacturing facilities to make the products expeditiously and at lower cost

Contract Research & Development Services

In the Contract Research & Development Services area, the pharmaceutical industry is facing significant challenges such as escalating cost of R&D, patent expirations, pricing pressure, increased regulatory and safety hurdles as well as lower productivity.

A further risk in this business is the intrinsic discovery and development risk when programs fail to meet efficacy, which leads to suspension of the efforts, and short-term decline in revenue until other compensatory programs are developed.

Risk Mitigation Plan

To mitigate this risk, we are constantly reviewing our internal processes and organisational structure to ensure higher efficiency, increased scientific output and cost effectiveness.

Proprietary Novel Drugs

In Proprietary Novel Drugs segment, we face significant competition in an environment of rapid technological and scientific change, and our failure to effectively compete may prevent us from achieving significant market penetration.

Risk Mitigation Plan

- Significant number of products are currently under development and may become commercially available in the future, for the treatment of diseases and other conditions for which we may try to develop new products.
- Our precision medicine target and biomarker discovery platform and our scientific and technical know-how give us a competitive advantage in this space, though competition from many sources remains.

11. Capacity Planning and Optimisation Risk

Our production capacity may not be aligned with market demand. Insufficient capacity threatens our

ability to meet demand and be competitive and excess capacity threatens the organisation's ability to generate competitive profit margins.

Risk Mitigation Plan

- The Company continues to invest in the optimisation of our manufacturing capacity utilisation. Such optimisation is driven by continuous de-bottlenecking our manufacturing plants and by value engineering through the application of Six Sigma, Lean Sigma and other value-added tools for productivity enhancement
- The business teams regularly track the trends for each product to ensure that there is sufficient capacity to meet demand
- We periodically undertake other initiatives to improve efficiency in terms of throughput, cost reduction and to build additional capacities without committing significant capital outlay thereby generating better return on investment
- We have developed a dedicated external manufacturing team, which can help to outsource some capacities and capabilities in order to ensure quicker response to unforeseen market demand

12. Research and Development (R&D) Effectiveness Risk

As a pharmaceutical manufacturer, our business growth is dependent on successful execution of R&D strategy. Our R&D is focused to develop commercially viable and sustainable new products, effectively improve and enhance our existing products, along with process improvements that can improve time, quality and cost efficiency.

Risk Mitigation Plan

- We have an effective strategy to mitigate potential risks and ensure R&D effectiveness with earmarked budgets and investments in R&D commensurate with the business plans. We routinely evaluate and prioritise our R&D programs based on market dynamics and commercial viability
- We are continuously engaged in the development of new products for pipeline of products that can be introduced in future
- The focus is on development of processes within the deadlines at optimum cost with effective and efficient scalability

13. Protecting Intellectual Property Rights (IPR) Risk

There has been substantial patent related litigation in the pharmaceutical and medical device industries concerning the manufacture, use and sales of various products. We take all reasonable steps to ensure that our products do not infringe valid third-party IPRs. Any material litigation or other communication alleging such infringements could delay the sale of or prevent us from selling our products.

Risk Mitigation Plan

- We protect our products with patents in major markets. Depending on the jurisdiction, patent protection may be available for individual active ingredients; specific compounds, formulations and combinations containing active ingredients; manufacturing processes; intermediates useful in the manufacture of products; and new uses for existing products
- The Company has filed intellectual property applications in various countries for innovations. The Company has trademarks primarily in India, US, Canada, Europe, Nigeria, South Africa, Mexico, Columbia, China and Australia
- Besides patents, the Company relies on trade secrets, knowhow and other proprietary information and hence, our employees, vendors and suppliers sign confidentiality agreements
- We have a dedicated team of scientists whose primary task is to ensure that the products are manufactured using only non-infringing processes and compliance requirements are met by reviewing and monitoring IPR issues continuously

14. Failure to Supply to Customers Risk

In the Pharmaceuticals segment, if we are unable to supply our products to customers as per the agreed timelines or specifications or other conditions, we may face penalties from our customers as per the terms of the agreement.

Risk Mitigation Plan

We ensure that such risks are monitored and mitigated on a continuous basis to avoid customer dissatisfaction, order cancellations and decreased revenues.

15. Changes in Tax Legislation Risk

The Company's activities are subject to tax at various rates around the world computed in accordance with

local legislation and practice. Actions by governments to increase tax rates or to impose additional taxes may reduce our profitability. Revisions to tax legislation or to its interpretation (whether with prospective or retrospective effect) may also affect our results and significant judgment is required in determining our provision for income taxes. Likewise, we are subject to audits by tax authorities in many jurisdictions. In such audits, our interpretation of tax legislation might be challenged and tax authorities in various jurisdictions may disagree with and subsequently challenge, the amount of profits taxed in such jurisdictions.

Risk Mitigation Plan

We have a dedicated team of tax professionals whose primary task is to ensure that the tax liabilities are correctly computed and any revision in the tax legislation is monitored continuously.

16. Foreign Currency Exposure Risk

There has been significant movement in exchange rates over many years. An increasing amount of our sales, particularly in the US, Canada and European countries, is recorded in local currencies, which exposes us to the direct risk of exchange rate fluctuations.

The Company did not use any derivative financial instruments or other hedging techniques to cover its potential exposure since net foreign exchange exposure is not significant.

Directors' Report

Your Directors are pleased to present the Forty Fourth Annual Report together with the Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2022.

OVERVIEW

Jubilant Pharmova Limited (the 'Company' or 'Jubilant Pharmova') is a company engaged in Pharmaceuticals, Contract Research and Development Services and Proprietary Novel Drugs businesses. Pharmaceuticals business through Jubilant Pharma Limited, Singapore (JPL) is engaged in manufacturing and supply of Radiopharmaceuticals with a network of 48 radio-pharmacies in the US, Allergy Immunotherapy, Contract Manufacturing of Sterile Injectables and Non-sterile products, Solid Dosage Formulations and APIs through six manufacturing facilities that cater to all the regulated markets including the US, Europe and other geographies. Jubilant Biosys Limited provides contract research and development services through two world class research centers in Bangalore and Noida in India. Jubilant Therapeutics is involved in Proprietary Novel Drugs business and is an innovative biopharmaceutical company developing breakthrough therapies in the areas of oncology and auto-immune disorders. Jubilant Pharmova Limited has a team of over 6,000 multicultural people across the globe. The Company is well recognised as a 'Partner of Choice' by leading pharmaceuticals companies globally. For more information, please visit: www.jubilantpharmova.com.

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

FINANCIAL RESULTS

(₹/ million)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations:				
Total Revenue from Operations	877	27,095	61,302	60,985
Total Operating Expenditure	946	22,824	49,739	47,020
EBITDA (before Other Income)	**(69)**	**4,271**	**11,563**	**13,965**
Other Income	1,259	479	113	176
EBITDA	**1,190**	**4,750**	**11,676**	**14,141**
Depreciation, Amortisation and Impairment Expense	62	1,000	3,817	3,490
Finance Costs	306	1,018	1,455	1,841
Exceptional Items	-	-	-	212
Share of profit of an associate	-	-	(100)	113
Profit before Tax	**822**	**2,732**	**6,304**	**8,711**
Tax Expenses	37	587	2,174	2,972
Profit for the year from continuing operations	**785**	**2,145**	**4,130**	**5,739**
Discontinued Operations:				
Profit from discontinued operations	-	-	-	3,409
Tax expense/(credit) of discontinued operations	-	-	-	792
Profit after tax of discontinued operations	-	-	-	2,617
Reported Net Profit After Tax	785	2,145	4,130	8,356
Attributable to:				
Owners of the Company	785	2,145	4,139	8,359
Non-Controlling Interests	-	-	(9)	(3)
Other Comprehensive Income	-	(18)	2,440	1,743
Total Comprehensive Income for the year	785	2,127	6,570	10,099
Retained Earnings brought forward from previous year	11,549	11,533	43,177	38,448

(₹/ million)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year (attributable to owners of the Company)	785	2,145	4,139	8,359
Re-measurement of defined benefit obligations	2	(8)	9	(8)
Dividend on Equity Shares	(796)	-	(796)	-
Adjustment on account of consolidation of ESOP Trust	-	-	1	-
Transfer (to)/ from Legal Reserve	-	-	-	(2)
Transfer of cumulative gain of equity investments classified at Fair Value through Other Comprehensive Income	-	-	299	-
Stock awards vested	-	-	21	2
Adjustment on amalgamation of certain promoter controlled entities pursuant to the Composite Scheme of Arrangement	-	1	-	1
Adjustment on account of demerger pursuant to the Composite Scheme of Arrangement	-	(2,122)	-	(3,623)
Retained Earnings to be carried forward	11,540	11,549	46,850	43,177

(I) Standalone Financials

Revenue from Operations

In the Financial Year 2021-22, on a standalone basis, the Company recorded total revenue from operations of ₹877 million.

EBITDA

For the year ended March 31, 2022, Earnings before Interest, Taxes, Depreciation and Amortisation ('EBITDA') stood at ₹1,190 million.

Reported Net Profit after Tax and EPS

Reported Net Profit after Tax was ₹785 million in the Financial Year 2021-22. Basic Earnings per Share ('EPS') stood at ₹4.93 per equity share of ₹1 each.

(II) Consolidated Financials

The Consolidated Financial Statements, prepared in accordance with the provisions of the Companies Act, 2013 (the 'Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and Indian Accounting Standards (Ind-AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Act, form part of the Annual Report.

Performance Review

Revenue from the continuing operations for the year was ₹61,302 million as compared to ₹60,985 million in the Financial Year 2020-21. Revenue from the Pharmaceuticals segment was ₹56,507 million as compared to ₹57,897 million in the Financial Year 2020-21. Revenue from the Contract Research and Development Services was ₹4,574 million for the year as compared to ₹3,052 million in the Financial Year 2020-21. Revenue from Proprietary Novel Drugs was ₹18 million for the year as compared to ₹37 million in the Financial Year 2020-21. Revenue from Management Services stood at ₹203 million for the year.

EBITDA from the continuing operations was ₹11,676 million for the year as compared to ₹14,141 million in the Financial Year 2020-21. EBITDA of the Pharmaceuticals segment was ₹10,871 million for the year as compared to ₹13,863 million in the Financial Year 2020-21 with margins of 19.2% as against 23.9% in the Financial Year 2020-21. Contract Research and Development Services reported EBITDA of ₹1,691 million as compared to ₹1,085 million in the Financial Year 2020-21 with margins of 37.0% as against 35.6% in the Financial Year 2020-21.

Profit after Tax from the continuing operations was ₹4,130 million as compared to ₹5,739 million in the Financial Year 2020-21. Earnings per Share (EPS) from the continuing operations was ₹26.00 per equity share of ₹1 each.

The Company has considered the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company has used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company.

On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to the future economic conditions.

DIVIDEND

The Board is pleased to recommend a dividend of 500% i.e. ₹5 per fully paid up equity share of ₹1 each amounting to ₹796.41 million for the year ended March 31, 2022. The payment of dividend is subject to approval of the shareholders at the forthcoming Annual General Meeting ('AGM') of the Company and shall be subject to deduction of income tax at source.

TRANSFER TO GENERAL RESERVE

During the year under review, no amount has been transferred to General Reserve of the Company.

CAPITAL STRUCTURE

(a) Share Capital

During the year, there has been no change in the authorised, subscribed and paid-up share capital of the Company. As on March 31, 2022, the paid-up share capital stood at ₹159,281,139 comprising 159,281,139 equity shares of ₹1 each.

(b) Employees Stock Option Plan and General Employee Benefits Scheme

The Company has an employee stock option plan namely JLL Employees Stock Option Plan 2018 ('Plan 2018'). There was no material change in the Plan 2018 during the year and the Plan is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the 'SEBI ESOP Regulations').

During the year, 35,734 Options were granted. Each Option entitles the holder to acquire one equity share of ₹1 each of the Company at the exercise price fixed at the time of grant.

The Company has a general employee benefits scheme namely Jubilant General Employee Benefits Scheme-2019 ('JGEBS-2019'). The Scheme is in compliance with the SEBI ESOP Regulations and there was no material change in the Scheme during the year.

The details of the Plan 2018 and JGEBS-2019 pursuant to the SEBI ESOP Regulations have been placed on the website of the Company and the same can be accessed at the web-link https://www.jubilantpharmova.com/Uploads/image/893imguf_esop_disclosure2022.pdf.

(c) Debentures

In the Financial Year 2021, the Company had issued Secured Redeemable Unlisted Non-Convertible Debentures ('NCDs') of ₹950 million for a period of upto 5 years. These NCDs are outstanding as on date.

SCHEME OF ARRANGEMENT

The Board of Directors of the Company, at its meeting held on July 23, 2021, approved reorganisation of the APIs business of Jubilant Generics Limited ('**JGL**'), an indirect wholly-owned subsidiary for *inter alia* better operational synergy and management effectiveness, by way of a demerger of the APIs undertaking of JGL and vesting of the same with the Company, on a going concern basis ('**the Demerger**'), to be implemented through a Scheme of Arrangement between JGL and the Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('**Scheme**'). The Company and JGL have filed the required petition with the Hon'ble National Company Law Tribunal, Allahabad Bench ('NCLT') seeking its approval for the Scheme.

Subsequent to the year end, the petition was heard by the Tribunal on April 25, 2022 and the Scheme was approved vide Order dated May 23, 2022. The Appointed Date of the Scheme is April 1, 2022. The Scheme will take effect upon the filing of the Formal Order of the Tribunal with the Registrar of Companies, which filing is targeted/expected on July 1, 2022.

SUBSIDIARIES

As on March 31, 2022, the Company had 35 subsidiaries. Brief particulars of the principal subsidiaries on a stand-alone basis are given below:

Jubilant Pharma Limited

Jubilant Pharma Limited, Singapore ('Jubilant Pharma') is a wholly-owned subsidiary of the Company. Jubilant Pharma holds the global pharmaceutical business of the Company through its subsidiaries in the US, Canada, Europe, India and rest of the world. These subsidiaries of Jubilant Pharma are engaged in manufacturing, marketing and distribution of various pharmaceutical products and services including APIs, oral dosage forms (tablets and capsules), contract manufacturing of sterile injectables including vaccines, ointment, creams and liquids, allergy therapy products and radiopharmaceutical products. Jubilant Pharma also operates a network of radiopharmacies in the the US, through its wholly-owned subsidiary with 48 pharmacies in 21 states of the US. Total income of the company during the Financial Year 2022 was ₹350.39 million as compared to ₹393.17 million during the Financial Year 2021.

Jubilant Generics Limited

Jubilant Generics Limited ('JGL') is a wholly-owned subsidiary of the Company through Jubilant Pharma. JGL is engaged in the business of manufacturing of Active Pharmaceutical Ingredients ("APIs") and Dosage Forms. It has three state of-the-art R&D Centres in Noida, Uttar Pradesh, which are equipped with world class infrastructure. JGL has India Branded Pharmaceuticals ("IBP") business which caters dosage formulations under its own brand name to the Indian market in therapeutic areas including chronic specialties like Cardiology and Diabetes.

JGL's APIs portfolio is focused on Lifestyle driven Therapeutic Areas (CVS, CNS) and also targets complex and newly approved molecules. The company is among the leading global producers for five APIs in its portfolio helping it to maintain its competitive position in the industry. The APIs manufacturing plant at Nanjangud, Karnataka is spread over 69 acres, and caters to the sales worldwide primarily to the regulated markets. The manufacturing facility is inspected by the global regulatory agencies such as US FDA, Health Canada, TGA Australia, EU GMP from National Institute of Pharmacy and Nutrition Hungary, Japan PMDA, FSSAPS France, KFDA Republic of Korea, ANVISA Brazil, COFEPRIS, Mexico and others.

During the Financial Year 2019, US FDA inspected the Nanjangud facility of JGL and consequently in March 2019, this facility was put under US FDA's Inspection Classification status of "Official Action Indicated" ('OAI'). As a result, while supplies of the approved products to the US continue but the approvals of pending applications or supplements for products to the US may be withheld. JGL undertook a holistic review to implement necessary corrective and preventive actions and also engaged third party cGMP consultants to support and identify areas of improvement and has been voluntarily updating US FDA. JGL has completed all identified corrective and preventive actions and updated the agency.

The dosage formulations manufacturing location at Roorkee, Uttarakhand, with 5 acres of infrastructure, is inspected by global regulatory agencies such as US FDA, Japan PMDA, UK MHRA, Australia TGA, WHO and Brazil ANVISA. This facility primarily manufactures immediate and modified release oral solid dosage forms (Tablets, Capsules and Powder for Suspension) with capabilities on complex processes like fluid bed pellet coating, MUPS (Multi Unit Pellet System) and extended release drug delivery technology based on matrix formulations and functional coatings. In addition to manufacturing and supplies of finished formulations to the US market, JGL's non-US finished formulations business is focussed on various markets in EU, Japan, Canada, Australia as well as various countries in the emerging markets. JGL also caters to the selected overseas markets under its own brand name. JGL's major therapy areas includes Cardiovascular, CNS and Gastrointestinal products with special focus on vertical integration and in-house APIs leading to greater competitiveness in the market place.

During the Financial Year 2019, the US FDA inspected the Roorkee facility of JGL and consequently in March 2019 issued Warning Letter to the Roorkee facility. In March 2021, the US FDA conducted an inspection of the Roorkee facility and issued a Form 483 with seven observations. Subsequently in July 2021, US FDA listed JGL under import alert with an exception for 4 products manufactured at the Roorkee facility. JGL has engaged independent third party cGMP consultants to mitigate the gaps identified by the US FDA and it is keeping the US FDA updated on its corrective and preventive actions. Post import alert, JGL manufactures only the approved and permitted products at the Roorkee plant for distribution in US. JGL continues to manufacture and supply the products to all the other markets where the products are approved, other than US. New product approvals for US market will be withheld due to the import alert. JGL is committed to implement the necessary corrective actions required to address the US FDA concerns at the earliest and it continues to work in close coordination with the US agency.

Total income of JGL during the Financial Year 2022 was ₹12,896.32 million as compared to ₹14,771.53 million during the Financial Year 2021.

The Company is in compliance with Regulation 24A of the Listing Regulations. Secretarial Audit was conducted for JGL, an unlisted material subsidiary of the Company. Copy of the Secretarial Audit Report of JGL is attached as Annexure-1 to this Report. The Secretarial Audit report of JGL does not contain any qualification, reservation or adverse remark or disclaimer.

Jubilant Cadista Pharmaceuticals Inc.

Jubilant Cadista Pharmaceuticals Inc., a corporation incorporated in Delaware, US is a wholly-owned subsidiary of Jubilant Pharma Holdings Inc. This company is engaged in the business of manufacturing solid dosage forms of generic prescription pharmaceuticals at its US FDA approved manufacturing facility in Salisbury, Maryland, US. Its customer base includes large wholesalers, retail and pharmacy chains. As on March 31, 2022, there were 13 products marketed in the US with focus in the therapeutic areas of CVS, CNS, Anti Allergic, Steroids, etc. Total income of the company during the Financial Year 2022 was ₹6,462.09 million as compared to ₹10,100.86 million during the Financial Year 2021. The US FDA inspected the site last in February 2020 that resulted in a rating of GMP compliance.

Jubilant Cadista Pharmaceuticals Inc. facility at Salisbury, Maryland successfully completed the periodic inspection by Maryland, US Department of the Environment/ City of Salisbury, Maryland.

At our Salisbury, Maryland manufacturing facilities, structured improvement projects have been undertaken that have delivered significant conversion cost savings, while at the same time improving safety rate, deviation rate, productivity, batch rejections and service level. The site has undertaken numerous energy-saving projects to reduce our utilities costs.

Jubilant HollisterStier LLC

Jubilant HollisterStier LLC (JHS) is a wholly-owned subsidiary of Jubilant Pharma Holdings Inc. This subsidiary is a fully integrated leading CMO player based out of North America with operations in Spokane, Washington, USA and Montreal, Canada. The facilities offer manufacturing services including sterile injectable (both liquid and lyophilization), ampoules and sterile and non-sterile ointments, creams, and liquids. This company is among the leading Contract Manufacturers in North America for sterile injectable and expanding its reach as a fill scale ophthalmic solution provider in the form of bottles including preservative free ointment and injectable. Its facilities are approved by regulators across the world including US FDA, Health Canada, ANVISA Brazil, PMDA Japan, Russia, MHRA and various others. The products manufactured at both sites are sold in over 50 countries across the globe by its customers. The company lays strong emphasis on compliance and protecting Intellectual Property Rights (IPR) for its customer base. The company will continue to focus on the highest level of compliance with a lean operation setup and supply of right quality products in a timely manner to its customers which helps it further grow the order book. The US FDA inspected the Spokane site last in 2021 by both the Center for Biologics Evaluation and Research and the Center for Drugs Evaluation and Research. These inspections resulted in ratings of 'GMP Compliance'. The Spokane site was also inspected by Armenia in 2021 and again, the site received a 'GMP Compliant' rating. The US FDA inspected the Montreal site last in 2018 that resulted in a 'GMP Compliance' rating. In addition, the Montreal site was inspected by Health Canada in 2021 and again received a GMP compliant rating. Further the sites go through numerous client audits during the year that also enhance their readiness for FDA inspection. Injectables form an increasing proportion of new approvals by innovators for which there is shortage of capacity for high quality manufacturing sterile sites as available with the company. The need for injectable has further been enhanced because of COVID pandemic. Its CDMO business has played a very integral role in current pandemic with contracts and various others for manufacturing vaccines and therapeutic drugs to fight the pandemic.

In May 2022, JHS entered into a cooperative agreement for $149.6 million (USD) with the Army Contracting Command, in coordination with the Joint Program Executive Office for Chemical, Biological, Radiological, and Nuclear Defense (JPEO-CBRND) on behalf of the Biomedical Advanced Research and Development Authority (BARDA), within the US Department of Health and Human Services. The effort was funded under the American Rescue Plan. This agreement will enable the company to double its injectable filling production capacity at a total cost of $193 million, at its Spokane, Washington manufacturing facility. This will be completed by 2025. This agreement is in addition to the $92 million filling line expansion announced in November 2021, which will be commercially available by the end of 2024. The planned expansion will double the injectable manufacturing capacity at Spokane. The lines will be latest technology high speed isolator fill lines with lyophilizers.

The Allergy Immunotherapy business provides products in the US and also exports to several international markets such as Canada, Europe and Australia. We supply bulk extracts to physicians who then use the products for diagnostic testing and to administer immunotherapy treatment. Allergenic extracts in our portfolio are offered in the form of consistent, high-quality, differentiated products along with a range of specialised diagnostic devices for skin testing.

A differentiated business of manufacturing and marketing of allergenic extracts is backed by one of the oldest and most trusted brands, HollisterStier, which is in existence for over 100 years. The company has been focusing on expanding market coverage and ensuring robust offering of our antigens to Customers. In addition, we have increased capacities in Lyophilization and are further increasing capacities in the Allergy Immunotherapy manufacturing facility to ensure consistent and reliable supply of our flying insect venom products. We are the sole producers and suppliers of venom immunotherapy in the US.

This business continues to build on the development of innovative products to address various allergies. The company is expanding its footprint beyond the US and is building networks in other regions outside of North America including EU, MEA and APAC with a focus on our venom immunotherapy products in these regions.

Total income of the company during the Financial Year 2022 was ₹16,286.86 million as compared to ₹15,874.96 million during the Financial Year 2021.

Jubilant DraxImage Inc.

Jubilant DraxImage Inc. ('JDI') is a wholly-owned subsidiary of the Company through Jubilant Pharma. JDI has a solid foundation in speciality pharma. JDI is headquartered in Montreal, Canada, where it operates a highly specialised manufacturing facility approved by US FDA, Health Canada and selected EU countries. JDI develops, manufactures, commercialises and distributes radiopharmaceuticals used in Nuclear Medicine for the diagnosis, treatment and monitoring of a broad range of diseases. It serves hospital-based customers (Nuclear Medicine Physicians, Nuclear Cardiologists and Technologists) in addition to specialised commercial radiopharmacies in the United States and Canada. JDI employs about 820 highly skilled professionals dedicated to providing high quality, reliable products and services to healthcare providers around the globe. The business is supported by an experienced research and development organisation, specialised radiopharmaceutical manufacturing, strong regulatory affairs, quality systems and marketing and commercial operations. The disease areas of specialisation include cardiology, oncology, neurology, and therapeutics for neuro-endocrine and thyroid diseases. The business distributes radiopharmaceutical products through a network of 48 pharmacies in the United States.

Jubilant Radiopharmaceuticals business is a market leader in North America in several specialty areas, including I-131 Therapeutic and Diagnostics (Theranostics) for imaging and treatment of thyroid diseases and thyroid cancer, Macro-Aggregated Albumin (MAA) for lung perfusion imaging and Diethylene Triamine Penta-acetic Acid (DTPA) for renal, brain and functional pulmonary imaging. RUBYFILL®, a cutting-edge, novel technology for PET myocardial perfusion imaging (MPI) to evaluate regional myocardial perfusion in adult patients with suspected or known coronary artery disease is approved by US FDA, Health Canada, Swissmedic, Switzerland, BfArM, Germany and Le gouvernement du Grand- Duché de Luxembourg, Luxembourg.

Jubilant Radiopharmaceuticals business is sponsoring and supporting two clinical trials for I-131-MIBG, a unique approach under evaluation for first-line and later stage treatment of high-risk neuroblastoma. Approximately 800 patients are diagnosed with Neuroblastoma every year, mostly children.

Total income of the company during the Financial Year 2022 was ₹19,732.01 million as compared to ₹9,492.35 million during the Financial Year 2021. The US FDA inspected the site last in 2017. The site was also inspected with the 'Compliance' rating by Health Canada in 2021 and 2022, both resulting in ratings of GMP compliance.

Effective June 1, 2021, Jubilant Draximage Inc. acquired the Radiopharmacies business which operates 48 radiopharmacies in 21 States and is headquartered in Yardley, PA. Jubilant's radiopharmacy network is the second largest network of commercial nuclear radiopharmacies in the United States, directly serving over 3,000 individual hospitals, clinics and medical centers. Business delivers approx. 3 million patient doses per year.

Jubilant Pharma NV

This is a wholly-owned subsidiary of the Company through JGL and Jubilant Pharma. This company holds shares of Jubilant Pharmaceuticals NV (99.81%) and PSI Supply NV (99.50%) along with Jubilant Pharma which holds the balance shares.

Jubilant Pharmaceuticals NV

This is a wholly-owned subsidiary of the Company through Jubilant Pharma NV, Belgium, which holds 99.81% of its shares and Jubilant Pharma holds the balance shares. This company is engaged in the business of licensing generic dosage forms and providing regulatory services to generic pharmaceutical companies. Total income of the company during the Financial Year 2022 was ₹0.65 million as compared to ₹7.81 million during the Financial Year 2021.

PSI Supply NV

This is a wholly-owned subsidiary of the Company. 99.50% of its shares are held by Jubilant Pharma NV and the balance by Jubilant Pharma. It is engaged in the supply of generic dosage forms to the European markets. Total income of the company during the Financial Year 2022 was ₹229.18 million as compared to ₹330.99 million during the Financial Year 2021.

Jubilant Biosys Limited

Jubilant Biosys Limited ('Biosys') provides Drug Discovery and Contract Development and Manufacturing Services to global pharmaceutical and biotech companies as mentioned below:

- Collaborative/ Partnership Model with Integrated Drug Discovery program across a single or a portfolio of molecules;
- Services in the areas of Medicinal Chemistry, In Vitro Biology, In Vivo Biology, Structural Biology, Drug Metabolism and pharmacokinetics (DMPK), Toxicology and Discovery Informatics on Full Time Equivalent (FTE) or Fee For Service (FFS) based model;
- Synthetic Organic Chemistry, Process Research & Development, Scale up and GMP supplies under Full Time Equivalent, or Fee for Service model.

Total income of the company during the Financial Year 2022 was ₹4,870.98 million as compared to ₹3,214.48 million during the Financial Year 2021.

Jubilant Therapeutics Inc.

Jubilant Therapeutics is a clinical stage precision therapeutics company advancing potent and selective small molecule modulators to address unmet medical needs in oncology and autoimmune diseases. Jubilant Therapeutics' platform uses Therapeutic Index & Brain Exposure Optimisation (TIBEO) to develop highly differentiated novel drugs for genetically defined patient populations. The company is progressing its most advanced program - first in class dual inhibitor of LSD1/HDAC6 to Phase I/ II in 2022, followed by additional INDs with novel brain-penetrant modulators of PRMT5 and PDL1, as well as PAD4 inhibitors in oncology and inflammatory indications. Total income of the company during the Financial Year 2022 was ₹0.08 million as compared to ₹0.74 million during the Financial Year 2021.

Other subsidiaries are mentioned below:

Jubilant Pharma Holdings Inc.

Jubilant Pharma Australia Pty. Limited

Jubilant Innovation (USA) Inc.

Jubilant HollisterStier Inc.

Jubilant First Trust Healthcare Limited

Jubilant DraxImage Limited

Jubilant DraxImage (USA) Inc.

Jubilant Discovery Services LLC

Jubilant Clinsys Inc.

Jubilant Clinsys Limited

Jubilant Therapeutics India Limited

Jubilant Business Services Limited

Jubilant Pharma SA Pty. Limited

Jubilant Pharma UK Limited

Jubilant Episcribe LLC

Jubilant Epicore LLC

Jubilant Prodel LLC

Jubilant Epipad LLC

Drug Discovery and Development Solutions Limited

Draxis Pharma LLC

Draximage (UK) Limited

TrialStat Solutions Inc.

Jubilant Pharma ME FZ-LLC

Jubilant Draximage Radiopharmacies Inc.

Jubilant Biosys Innovative Research Services Pte. Limited

During the year, the following changes have taken place pertaining to the subsidiaries of the Company:

1. 6981364 Canada Inc. amalgamated into Jubilant Draximage Inc.
2. Draximage General Partnership has been dissolved due to amalgamation of its partners i.e. 6981364 Canada Inc. and Jubilant Draximage Inc.
3. Draximage Limited, Ireland has been dissolved.
4. Jubilant Life Sciences (BVI) Limited has been dissolved.
5. Jubilant Drug Development Pte. Limited has been merged into Drug Discovery and Development Solutions Limited.
6. Jubilant Innovation Pte. Limited has been struck off.

Associate Company

SOFIE Biosciences Inc., USA is associate of the Company.

1359773 B.C. Unlimited Liability Company and SPV Laboratories Private Limited became subsidiary and associate company of the Company effective from April 26, 2022 and April 1, 2022, respectively.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

The performance and financial position of the subsidiaries are given in Form AOC-1 attached to the Financial Statements for the year ended March 31, 2022.

PARTNERSHIPS

Jubilant HollisterStier General Partnership

It is a Canada based partnership, owned by two subsidiaries of the Company - Jubilant HollisterStier Inc. and Draxis Pharma LLC, that provides contract manufacturing services. It manufactures products in two categories: sterile products and non-sterile products. Sterile products include liquid and freeze-dried (lyophilized) injectables, ampoules, ophthalmic tubes/ solutions and sterile ointments and creams. Non-sterile products include non-sterile ointments, creams and liquids. The products manufactured by this partnership are supplied to over 50 countries. Another area of growth for this subsidiary is sterile ophthalmic. With ageing population across the globe, eye ointments are gaining popularity. The company is witnessing a lot of requests for proposals in this area as well. Basis this assessment, the company has set up a 200 bottles per minute ophthalmic line in Montreal site, which is undergoing validation. Once operational, the line is expected to further drive growth for the CMO business. The manufacturing location at Montreal, Quebec, Canada is approved by Health Canada, US FDA and other regulatory authorities.

STATUTORY AUDITORS

In terms of provisions of Section 139 of the Act and the Rules made thereunder, the Shareholders of the Company have at the 40th AGM approved the reappointment of M/s. B S R & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for another term of 5 years from conclusion of the 40th AGM of the Company till conclusion of the 45th AGM of the Company to be held in the year 2023.

The Auditors' Reports for the Financial Year 2022 do not contain any qualification, reservation, adverse remark or disclaimer.

COST AUDIT

Pursuant to Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company was not required to maintain the cost records during the Financial Year 2022.

SECRETARIAL AUDIT

The Board had appointed M/s Sanjay Grover & Associates, Company Secretaries to conduct Secretarial Audit pursuant to the provisions of Section 204 of the Act for the Financial Year 2022. The Report of the Secretarial Auditors is attached as Annexure-2 to this Report and does not contain any qualification, reservation, adverse remark or disclaimer.

The Company has also obtained a Secretarial Compliance Report from M/s Sanjay Grover & Associates, Company Secretaries confirming compliances with the provisions of the applicable SEBI Listing Regulations, Circulars and Guidelines for the year ended March 31, 2022. This Compliance Report was filed with the Stock Exchanges within prescribed time period and is also available on the websites of Stock Exchanges.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Priyavrat Bhartia and Mr. Arjun Shanker Bhartia retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment.

The Shareholders have, at the 43rd AGM of the Company held on September 22, 2021, approved re-appointment of Mr. Hari S. Bhartia as Co-Chairman and Managing Director of the Company for a period of three years effective from April 1, 2022. At the said AGM, the shareholders have also approved the appointment of Mr. Pramod Yadav and Mr. Arvind Chokhany as Directors of the Company effective from February 5, 2021 and April 1, 2021, respectively. The shareholders have further approved appointment of Mr. Chokhany as Group Chief Financial Officer and Whole-time Director effective from April 1, 2021. The Shareholders have also approved re-appointment of Mr. Sushil Kumar Roongta and Mr. Vivek Mehra as Independent Directors for another term of 5 consecutive years effective from May 22, 2022.

MEETINGS OF THE BOARD

Five meetings of the Board of Directors of the Company were held during the Financial Year 2022.

DECLARATION OF INDEPENDENT DIRECTORS

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 of the Act and Regulation 16 of the Listing Regulations.

APPOINTMENT AND REMUNERATION POLICY

The Company has implemented Appointment and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations. Salient features of the Policy and other details have been disclosed in the Corporate Governance Report attached to this Report. The Policy is available at the web-link: www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/appointment-and-remuneration-policy.

ANNUAL PERFORMANCE EVALUATION OF THE BOARD

A statement on annual evaluation of the performance of the Board, its Committees and of individual Directors forms part of the Corporate Governance Report attached to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors, based on the representation received from the management, confirm that:

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

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

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

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

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

Based on the framework of internal financial controls including the Controls Manager for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2022; and

(vi) 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.

COMPOSITION OF AUDIT COMMITTEE

As on date, the Audit Committee comprises Mr. S Sridhar, Chairman, Ms. Sudha Pillai, Dr. Ashok Misra, Mr. Vivek Mehra, Mr. Priyavrat Bhartia and Mr. Arvind Chokhany. The Board has accepted all the recommendations made by the Audit Committee.

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

The Company did not have any manufacturing activities on a standalone basis during the Financial Year 2022. Hence, the details prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy and technology absorption are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹/ million)

Particulars	2021-22	2020-21
Foreign exchange outgo in terms of actual outflows	3	9,117
Foreign exchange earned in terms of actual inflows	1,580	11,207

EMPLOYEES

Particulars of Directors and Employees as required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as Annexure-3 and form part of this Report.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

Risk-taking is an inherent trait of any enterprise. However, if risks are not properly managed and controlled, they can affect the Company's ability to attain its objectives. Risk management and internal financial control systems play a key role in directing and guiding the Company's activities by continually preventing and managing risks. The Board, Risk Management Committee, Audit Committee and Senior Management team collectively set the overall tone and risk culture of the Company by identifying the risks impacting the Company's business and documenting the process of risk identification, risk minimisation and risk optimisation as a part of the risk management policy through defined and communicated corporate values, clearly assigned risk responsibilities, appropriately delegated authority and a set of processes and guidelines.

There exists a critical risk management framework across the Company and the same is reviewed on a periodic basis by the Board. Some of the critical risks identified in various businesses of the Company are:

- Pandemic Risk - Uncertainty due to COVID-19
- Information Technology (IT) Risk
- Dependence on certain key products and customer risk
- Dependence on single manufacturing facility risk
- Supply interruptions due to few suppliers risk
- Human Resources - Acquire and retain talent risk
- Manufacturing operations risk
- Compliance and regulatory risk
- Competition, cost competitiveness and pricing risk
- Capacity planning and optimisation risk
- Research and Development (R&D) effectiveness risk
- Environmental, Social, and Governance (ESG) risk
- Protecting Intellectual Property Rights (IPR) risk
- Failure to supply to customers risk
- Changes in tax legislation risk
- Liquidity, solvency, debt repayment risk
- Foreign currency exposure risk
- Risks related to the discovery and development of our product candidates
- Limited product pipeline
- Mergers and Acquisitions
- Political or Economic instability or acts of terrorism
- Labour unions
- Dependence on third parties to conduct our clinical trials
- Foreign manufacturing disincentive
- Ageing machinery and plant
- Outsourcing risk

The Company promotes strong ethical values and high levels of integrity in all its activities, which in itself is a significant risk mitigator. With the growth strategy in place, risk management holds the key to the success of the Company's journey of continued competitive sustainability in attaining the desired business objectives.

Internal Financial Controls

To compete globally, world class Corporate Governance and Financial Controls over operations are a must for the Company. The Internal Financial Controls as mandated by the Companies Act not only require a certification from CEO-CFO but also put an obligation on the Board of Directors to ensure that the Internal Financial Controls are adequate and are operating effectively. Besides this, the Statutory Auditors are also required to give an opinion on the adequacy and effectiveness of Internal Controls over Financial Reporting ('ICFR').

To make the Internal Financial Controls framework robust, the Company has worked on three lines of defence strategy which is as under:

First Line of Defence: Build internal controls into operating processes - To this end, we have ensured that a detailed Delegation of Authority is issued, Standard Operating Procedures (SOPs) for the processes are created, financial decision making is done through Committees, IT controls are built into the processes, Segregation of Duties is done, strong budgetary control framework exists, the Entity level controls including Code of Conduct, Ombudsperson Office, etc. are established.

Second Line of Defence: Create an efficient review mechanism - We have created a review mechanism under which all the business units and functions are reviewed for performance at least once in a month by the respective CEOs and once in a quarter, by the Corporate team. The formats for these reviews are detailed and finalised with the help of global consulting firms.

Third Line of Defence: Independent assurance - A Big Four firm has been appointed as our internal auditors to perform systematic independent audit of every aspect of the business to provide independent assurance on the effectiveness of the internal controls and highlight the gaps for continuous improvement.

We have implemented a programme under which more than 1,500 internal controls have been established and certified on a quarterly basis by the relevant process owners before the financial results are closed for the quarter. A quarterly certification process is maintained through a work flow based IT tool called 'Controls Manager' and this certification is the basis of the CEO-CFO certification of internal controls as per Regulation 17(8) of the Listing Regulations.

We have implemented a web-based automated compliance management and reporting system. The objective of the system is to ensure that the compliances are regularly monitored and controlled with a view to support the Company's business objectives and corporate policy requirements. The system includes a comprehensive check-list for ensuring compliance with the laws and regulations applicable to all plants and offices of the Company. To ensure timely and effective compliances, the compliance status is monitored on a real-time basis by the respective functions. The status is presented by the Legal Team and reviewed on a quarterly basis by the Senior Management and the Board of Directors. Pursuant to the Listing Regulations, the Company Secretary and Compliance Officer places a compliance report to the Board of Directors on a quarterly basis.

The Company regularly updates the controls library and Risk and Control Matrix. The updated control framework was tested for operational effectiveness by the statutory auditors and they have given an affirmative opinion about the adequacy and effectiveness of Internal Controls for Financial Reporting in the Company.

The Company has three business segments namely (a) Pharmaceuticals (b) Contract Research & Development Services and (c) Proprietary Novel Drugs. These Segments have a complete management set up with CEO, CFO and other functional heads who are responsible for running the operations and report to the Chairman/ Co-Chairman and Managing Director ('CCMD') and the Corporate Committee.

To improve the controls in operations, we have established, for each line of business, the concept of financial decision making through operational committees. The entire purchase, credit control and capital expenditure decisions are taken jointly in committees.

A detailed note on Internal Control Systems and Risk Management is given under 'Management Discussion and Analysis Report'.

HUMAN RESOURCES

We continued to focus on the safety & well-being of our employees and their families, guided by our core philosophy of Caring, Sharing, Growing and in line with our 'Employee First' approach.

During the COVID-19 pandemic, we ensured that all safety and precautionary measures were put in place at all our workplaces. We supported employees and their families with the necessary resources and assistance and built mechanisms for a personal and daily connect with those effected. To maintain business continuity, we established workplace rules which also prevented exposure of the employees to COVID-19. Work from home was encouraged.

Employee mental and emotional well-being became the centre point of our initiatives. We conducted multiple sessions/ communications to build awareness about the importance of mental health and well-being amongst employees. We launched #JubilantCares - an Employee Well-Being and Assistance Program (EWAP) positively impacting over 1,000 employees in association with a leading partner in this space. Through this initiative, employees were able to seek confidential counselling service for themselves and family members; access resources and have ready tools to manage stress and build mindfulness.

With our commitment to grow talent from within, we launched 'Online Development Centre' for our high potential candidates and successors for critical roles. This was followed by robust development planning and actionable. We continued to focus on our talent strategy and further strengthened our succession pipeline identification via psychometric and 360° assessments in association with one of the top names in this space. Learning for employees is supported by quarterly program calendars, Virtual Instructor Led Training (VILT) and eLearning.

Jubilant has always believed in contributing towards and promoting the 'Inclusion & Diversity' agenda. With this belief and commitment, we launched impactful initiatives including leadership inclusion immersion journeys, formation of cross-function teams to drive gender diversity and inclusion and creation of an eco-system where everyone has a voice, everyone is heard, everyone can bring their whole-selves to work and everyone is encouraged to succeed. Further, our focus on hiring diverse talent has helped us set specific goals that reflect our leadership team's expectations. Tracking diversity hiring, via digital dashboard helps us to be on track and measure progress towards this endeavour. The Company has constituted Internal Complaints Committee in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As part of our digital transformation agenda, we continued to amplify our employee experience and digitised our R&R program 'Applause'. This received an overwhelming employee response. Continuing with the legacy of 'Chairmen's Annual Awards'- the highest and the most prestigious awards at Jubilant, we enhanced the digital engagement experience last year. The virtual event was streamed globally simultaneously, leading to the highest-ever viewership & engagement rate.

As an employer, it is important to take the opportunity to focus on how new hires are welcomed. From the time an offer is extended until the day the employee comes on board and becomes productive, the on-boarding experience can be used to create a foundation for long-term success. With this intent, we launched a digitised 'New Hire Pre-On Boarding' platform which provides an overview of Jubilant's diverse businesses and culture and helps the new joinee engage with us before they are on-boarded.

The COVID-19 pandemic brought seemingly instant and significant changes to the hiring processes around the globe. As an organisation, we responded and brought about immediate changes to hiring, including one of the most noteworthy hiring activities, campus recruiting. In 2021, campus hiring went completely virtual where we strengthened our association with more than 20 management and engineering academic partners.

Analytics is critical to us, we continue to enhance our systems and processes to measure our processes' health across the globe so that we can make faster and better decisions. Further, our global analytics help in maintaining data integrity, ensuring better process governance and control, enhancing processes and delivering higher productivity.

We continue to strengthen our performance management process to drive a culture of performance.

VIGIL MECHANISM

The Company has adopted Vigil Mechanism and the same has been disclosed in the Corporate Governance Report. Further, the Whistle Blower Policy provides for adequate safeguards against victimisation of Director(s) or Employee(s) and also provides for direct access to the chairperson of the audit committee in appropriate or exceptional cases. Details of Vigil Mechanism is provided in the Corporate Governance Report and forms part of the Report.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is an integral part of sustainability framework of Jubilant. CSR activities at Jubilant are established in accordance with the provisions of Section 135 read with Schedule VII to the Act.

Jubilant Bhatia Foundation ('JBF'), established in the year 2007, a not-for-profit arm of the Jubilant Bhartia Group is responsible for conceptualisation and implementation of CSR activities of all group companies of Jubilant.

The CSR programs of Jubilant are strategised in line with the United Nations Sustainable Development Goals (SDGs), also known as Global Goals.

Jubilant has been publishing its Corporate Sustainability Report every year from 2003. The report is externally verified and is in accordance with the Global Reporting Initiative ('GRI') guidelines.

From 2007, the Company was receiving application level A+ by GRI for our Corporate Sustainability Report. From the Financial Year 2017-18, our Sustainability Report is aligned with the Global Reporting Initiatives' GRI Standards in accordance with the 'Comprehensive' option. All our reports are available on the Company's website at the weblink: www.jubilantpharmova.com/sustainability/sustainability-report.

With a thrust on CSR, the Company is continuously working towards Economic, Environmental and Social performance. The CSR projects are designed in a way to empower the communities around the area of operations of Jubilant and add value to their life. The projects work on 4P model (Public-Private-People-Partnership). JBF's detailed activities are available on its website www.jubilantbhartiafoundation.com.

Jubilant's CSR programs are weaved in with a vision to bring progressive social change through strategic multi-stakeholder partnership and bring about a 'social change' involving "knowledge generation & sharing, experiential learning and entrepreneurial ecosystem" through JBF.

During the Financial Year 2022, Jubilant continued working in the arena of Health, Education & Livelihood to improve the quality of life of the community around the manufacturing locations, which is considered as apex stakeholder. The brief information is given below:

- Supporting Rural Government Primary Education-Jubilant Bhartia Foundation is reaching out to over 1,00,000 students in primary schools through E-Muskaan (School Digitisation), Khushiyon Ki Pathshala (Value Education) and Muskaan Fellowship (Youth Leadership Programme).
- Providing affordable basic and preventive health care-Reaching out to over 6.5 Lac population in more than 100 villages through Jubilant Aarogya (Providing affordable healthcare through mobile and static clinics enabled with JUBICARE-Tele-clinic platform and Swasthya Prahari (Preventive Health Care) along with need based health awareness camps.
- Working towards providing Sustainable livelihood to the community through Nayee Disha (Skill Development), Samridhhi (SHG and Micro Enterprise Promotion), Jubifarm (Sustainable Agriculture program having sub programs like Pashu Sakhi and Paryavaran Sakhi).

Annual Report on CSR activities for the Financial Year 2022 including contents of the CSR Policy is attached as Annexure-4. In compliance with the Listing Regulations, Business Responsibility Report forms part of the Annual Report.

OTHER DISCLOSURES

i. Extracts of Annual Return: Pursuant to the provisions of Section 134(3)(a) of the Act, the Annual Return for the Financial Year 2021-22 has been uploaded on the Company's website and can be accessed at https://www.jubilantpharmova.com/investors/financials/annual-return.

ii. Public Deposits: The Company has not accepted any deposits from the public during the year. The Company had no outstanding, overdue, unpaid or unclaimed deposits at the beginning and end of the Financial Year 2022.

iii. Loans, Guarantees and Investments: Details of loans, guarantees/ securities and investments along with the purpose for which the loan, guarantee or security is proposed to be utilised by the recipient have been disclosed in Note nos. 5, 6 and 41 to the Standalone Financial Statements, as applicable.

iv Particulars of Contracts or Arrangements with the Related Parties: The Company has formulated a policy on Related Party Transactions ('RPTs'), dealing with the review and approval of RPTs. The policy was revised during the year pursuant to the amendment of the provisions pertaining to the Related Party Transactions contained in the Listing Regulations. Prior omnibus approval is obtained for RPTs which are of repetitive nature. All RPTs are placed before the Audit Committee for review and approval. All RPTs entered into during the Financial Year 2022 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during the Financial Year 2022 by the Company as defined in the Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions. Accordingly, the disclosure of RPTs as required under Section 134(3) (h) of the Act in Form AOC-2 is not applicable. Your Directors draw attention of the members to Note no. 37 to the Standalone Financial Statements which sets out the Related Party disclosures.

v. Material Changes in Financial Position: No material change or commitment has occurred after close of the Financial Year 2022 till the date of this Report, which affects the financial position of the Company.

vi. Orders passed by Courts/ Regulators: No significant or material order has been passed by the regulators or courts or tribunals impacting the going concern status of the Company or its future operations.

vii. Secretarial Standards: The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

CORPORATE GOVERNANCE

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering the best corporate practices prevalent globally.

A detailed Report on Corporate Governance is attached as Annexure-5 and forms part of this Report. A certificate from a Practising Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the Listing Regulations is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2022. A certificate from the Co-Chairman & Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the CEO and CFO confirming correctness of the financial statements, adequacy of internal control measures, etc. is also attached to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company as provided under the Listing Regulations has been given separately and forms part of this Report.

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central and State Government authorities. Your Directors thank the shareholders, debentureholders, financial institutions, banks/ other lenders, debenture trustee, customers, vendors and other business associates for their confidence in the Company and its management and look forward to their continued support. The Board wishes to place on record its appreciation for the dedication and commitment of the Company's employees at all levels, which has continued to be our major strength. We look forward to their continued support in the future.

For and on behalf of the Board

Shyam S. Bhartia	**Hari S. Bhartia**
Chairman	***Co-Chairman & Managing Director***
(DIN: 00010484)	(DIN: 00010499)

Place: Noida
Date: May 27, 2022

Secretarial Audit Report

Annexure 1

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,
The Members,
Jubilant Generics Limited
(CIN: U24100UP2013FLC060821)
Plot 1A, Sector 16A, Institutional Area, Noida,
Uttar Pradesh-201301

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

We report that-

a) 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 our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) 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.

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 31st March, 2022 ("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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the Audit Period according to the provisions of:

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

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

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment, wherever applicable;

We have also examined compliance with the applicable clauses of Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India (Secretarial Standards).

We report that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards to the extent applicable, as mentioned above and the Company is generally regular in compliance of Secretarial Standards and filings with the Registrar of Companies during the Audit Period.

(iv) The Company is engaged in the business of manufacturing and supply of Active Pharmaceutical Ingredients ("APIs") and Dosage Forms. It has three state of-the-art R&D Centres in Noida, Uttar Pradesh, which are equipped with world class infrastructure. It has India Branded Pharmaceuticals ("IBP") business which caters dosage formulations under its own brand name to the Indian market in therapeutic areas including chronic specialties like Cardiology and Diabetes. As informed by the management, Drugs & Cosmetics Act, 1940 and rules made thereunder; Food Safety & Standards Act, 2006; Consumer Protection (E-Commerce) Rules 2020 and Amendments thereto; Legal Metrology Act, 2009 and rules made thereunder; and Boilers Act, 1923 and rules made thereunder are the laws specifically applicable to the Company. We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. On the basis of our check on test basis, recording in the minutes of Board of Directors and management representation, we are of the view that the Company has ensured the compliance of laws specifically applicable on it.

We further report that the Board of Directors of the Company is duly constituted. The company, being a wholly owned subsidiary of Jubilant Pharma Limited, Singapore which is a wholly owned subsidiary of Jubilant Pharmova Limited, is not required to appoint Independent Directors under section 149 of the Act read with Rule 4(2) of the Companies (Appointment and Qualification of Directors) Rules 2014. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that the Board of Directors of the Company at its meeting held on July 16, 2021 approved the demerger of its Active Pharmaceuticals Ingredients undertaking with Jubilant Pharmova Limited (JPM), the ultimate holding company of the Company and vesting of the same with JPM, on a going concern basis, to be implemented through a Scheme of Arrangement between JPM and the Company. The Hon'ble National Company Law Tribunal, Allahabad Bench ('NCLT') has, by its Order dated May 23, 2022, sanctioned the Scheme. The Appointed Date of the Scheme is April 1, 2022.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Priyanka
Partner
CP No.: 16187 / Mem. No. F10898
UDIN: F010898D000399440

Place: New Delhi
Date: May 26, 2022

Secretarial Audit Report

Annexure 2

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members,
Jubilant Pharmova Limited
(CIN: L24116UP1978PLC004624)
Bhartiagram, Gajraula, District Amroha,
Uttar Pradesh-244223

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

We report that-

a) 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 our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the Management Representation about the compliances of laws, rules, regulations and standards and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) 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.

Based on our verification of the Company's books, papers, minutes 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, 2022 ("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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to the provisions of:

(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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

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

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

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

    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 {Not applicable during the audit period};

    (d) The 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 Non-Convertible Securities) Regulations, 2021;

    (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

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

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

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) As informed and confirmed by the management, there is no sector specific laws applicable on the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standardson Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent applicable, as mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the board of directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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, standards and guidelines.

We further report that during the audit period the Board of Directors of the Company at its meeting held on 23 July 2021 approved a Scheme of demerger of the Active Pharmaceuticals Ingredients undertaking of Jubilant Generics Limited (JGL), an indirect wholly owned subsidiary of the Company and vesting of the same with the Company, on a going concern basis, to be implemented through a Scheme of Arrangement between JGL and the Company. The Hon'ble National Company Law Tribunal, Allahabad Bench ('NCLT') has, by its Order dated May 23, 2022, sanctioned the Scheme. The Appointed Date of the Scheme is April 1, 2022.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Devesh Kumar Vasisht
Partner
CP No.: 13700/ FCS No:. F8488
UDIN: F008488D000410098

New Delhi
May 27, 2022

Annexure 3

Particulars prescribed under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PART A:

i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the Financial Year 2022 are as under:

Sr. No.	Name and Designation of Director/ Key Managerial Personnel	Remuneration during Financial Year 2021-22 (In ₹)	% increase in Remuneration	Ratio of Remuneration of each Director to Median Remuneration of Employees
1	Mr. Shyam S. Bhartia, Chairman	-	-	-
2	Mr. Hari S. Bhartia, Co-Chairman & Managing Director	121,668,201	(0.11)	24.58
3	Mr. S Sridhar, Non-Executive Independent Director	1,940,000	31.52	0.39
4	Ms. Sudha Pillai, Non-Executive Independent Director	2,160,000	43.52	0.44
5	Dr. Ashok Misra, Non-Executive Independent Director	1,840,000	31.90	0.37
6	Mr. Sushil Kumar Roongta, Non-Executive Independent Director	1,860,000	29.62	0.37
7	Mr. Vivek Mehra, Non-Executive Independent Director	2,000,000	37.46	0.40
8	Mr. Arun Seth, Non-Executive Independent Director	1,505,000	14.45	0.30
9	Mr. Priyavrat Bhartia, Non-Executive Director	-	-	-
10	Mr. Arjun Shanker Bhartia, Non-Executive Director	-	-	-
11	Mr. Pramod Yadav, Non-Executive Director	-	-	-
12	Mr. Arvind Chokhany, Group CFO and Whole-time Director	39,929,985	Not Applicable	8.07
13	Mr. Arun Kumar Sharma Chief Financial Officer	23,906,125	Not Applicable	Not Applicable
14	Mr. Rajiv Shah, Company Secretary	12,184,350	11.44	Not Applicable

Notes:

1. Mr. Shyam S. Bhartia, Chairman, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia and Mr. Pramod Yadav, Non-Executive Directors have opted not to take commission and sitting fees for the Financial Year 2022.
2. Remuneration of Mr. Hari S. Bhartia includes commission payable, which is lower compared to the previous year due to lower profits.
3. Remuneration of Non-Executive Independent Directors consists of sitting fees and commission payable.
4. 40 permanent employees were on the rolls of the Company as on March 31, 2022. Median of Total Cost to Company (CTC) on payable basis has been taken for all on-roll employees as on March 31, 2022. Median salary of all on-roll employees is ₹49,50,174.

ii) The percentage increase in the median remuneration of all on-roll employees in the Financial Year 2022 was -9.58%.

iii) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in the remuneration of employees other than managerial personnel was 9.5% in the Financial Year 2022. Details of remuneration paid to the Managerial Personnel is given in the table above. The remuneration has been paid to the Managerial Personnel in line with the resolutions approved by the Board of Directors and Shareholders, as applicable.

iv) Affirmation that the remuneration is as per the remuneration policy of the Company:

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

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
A. Top Ten Employees in terms of remuneration drawn during the Financial Year 2022									
1	Arvind Chokhany	Group CFO and Whole-time Director	CA, ICWA	26	1-Apr-21	50	39,929,985	CFO	Tata Projects Limited
2	Ajay Khanna	Group Ombudsperson & Group Chief-Strategic & Public Affairs	B.Com, LL.B	42	1-Jun-09	62	39,139,153	Partner	Accenture India Private Limited
3	Arun Kumar Sharma	Head-Group Treasury and Chief Financial officer	B.Sc., CA	33	4-Oct-17	56	23,906,125	CFO	Jubilant Pharma Limited
4	Gayatri Taragi	Vice President & Head -Compensation & Benefits	PGDM , MBA	19	08-Feb-18	46	10,404,407	GM - HR	Airtel
5	Hari S Bhartia	Co-Chairman & Managing Director	IIT Delhi - Chemical Engineering	40	1-Jan-82	65	121,668,201	-	-
6	KVS Satish Kumar	Chief Sustainability Officer	PGD, M. Tech	25	29-Apr-21	45	12,537,503	CSO	PI Industries
7	Praveen Kumar Gupta	Executive VP & Head-Direct Taxation	FCA , FCS, LLB	25	25-Jan-05	48	19,390,072	DGM - Taxation	Ballarpur Industries Limited
8	Rajiv Shah	Vice President & Head - Secretarial	B.Com, ACS	36	16-Feb-15	57	12,184,350	AVP - Secretarial	Reliance Infrastructure Limited
9	Rohini Seth	Chief of Human Resources	Masters in HR, Bachelors (Economics)	27	01-Jul-20	52	25,960,808	HR Director	Diageo - UK
10	Umesh Mehta	CIO	B.Sc. (Computer Science), PGLSCM	33	1-Sep-10	56	16,368,638	Vice President	Asia Motor Work Limited

B. Employed for full year and in receipt of remuneration for the year which in aggregate was not less than ₹10,200,000 per annum (other than those mentioned in Para A above) - Nil

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
C. Employed for part of the year and in receipt of remuneration which in aggregate was not less than ₹850,000 per month (other than those mentioned in Para A above)									
1	Devarajan Jagannathan	Senior VP - Indirect Taxation	B.Com, ACS, AICWA	30	01-Sep-14	52	3,049,550	Senior VP - Indirect Taxation	Indiabulls Group
2	Hemant Bakhru	VP & Head - Investor Relations	MBA , MBBS	16	20-Jul-20	45	5,596,750	Director	UBS
3	Sanjay Gupta	Executive VP - Legal	B. Com (H), LL.B , FCS, ACMA	34	25-Nov-14	57	3,336,132	Partner	Hammurabi & Solomon Advocates
4	Shyam Pattabiraman	CFO-Therapeutics Business	MS, MSC	17	10-Jan-18	42	5,849,480	AVP-Strategy	Welspun Group Energy Business
5	Tushar Gupta	VP - Corporate Strategy	PGDM, MBBS	7	25-Oct-21	35	4,660,866	Principal	Boston Consulting Group

Notes:

1. Employment of Mr. Hari S. Bhartia is contractual. Employment of other officials is governed by the rules and regulations of the Company from time to time.
2. All above persons are/ were full time employees of the Company.
3. Mr. Hari S. Bhartia is a relative of Mr. Shyam S. Bhartia, Chairman and Mr. Arjun Shanker Bhartia, Director. None of the above employees is related to any Director of the Company.
4. None of the above employees is covered under Rule 5 (2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
5. Remuneration comprises salary, allowances, perquisites/ taxable value of perquisites, etc. Remuneration of Mr. Hari S. Bhartia includes commission payable.
6. Abbreviations: AVP - Assistant Vice President; CSO - Chief Sustainability Officer; CFO - Chief Financial Officer; CIO - Chief Information Officer; DGM - Deputy General Manager; GM - General Manager; HR - Human Resources; VP - Vice President

Annexure 4

Annual Report on Corporate Social Responsibility Activities - Financial Year - 2022

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

Corporate Social Responsibility (CSR) is an integral part of sustainability framework of Jubilant. CSR activities at Jubilant are established in accordance with the provisions of Section 135 read with Schedule VII to the Act.

Jubilant Bhatia Foundation ('JBF'), established in the year 2007, a not-for-profit arm of the Jubilant Bhartia Group is responsible for conceptualisation and implementation of CSR activities of all group companies of Jubilant.

The CSR programs of Jubilant are strategised in line with the United Nations Sustainable Development Goals (SDGs), also known as Global Goals.

With a thrust on CSR, the Company is continuously working towards Economic, Environmental and Social performance. The CSR projects are designed in a way to empower the communities around the area of operations of Jubilant and add value in their life. The projects work on 4P model (Public-Private-People-Partnership). JBF's detailed activities are available on its website www.jubilantbhartiafoundation.com

Jubilant's CSR programs are woven with a vision to bring progressive social change through strategic multi-stakeholder partnership and bring about a 'social change' involving "knowledge generation & sharing, experiential learning and entrepreneurial ecosystem" through JBF.

During the Financial Year 2022, Jubilant continued working in the arena of Health, Education and Livelihood to improve the quality of life of the community around the manufacturing locations, which is considered as apex stakeholder. The brief information is as below:

Supporting Rural Government Primary Education-Jubilant Bhartia Foundation is reaching out to over 100,000 students in primary schools through E-Muskaan (School Digitisation), Khushiyon Ki Pathshala (Value education) and Muskaan Fellowship (Youth Leadership Programme).

Providing affordable basic and preventive health care- Reaching out to population of over 6.50 Lac in more than 100 villages through Jubilant Aarogya (Providing affordable healthcare through mobile and static clinics enabled with JUBICARE- Tele-clinic platform and Swasthya Prahari (Preventive Health Care) along with need based health awareness camps.

Working towards providing sustainable livelihood to the community through Nayee Disha (Skill Development), Samridhhi (SHG and Micro Enterprise Promotion), Jubifarm (Sustainable Agriculture program having sub programs like Pashu Sakhi and Paryavaran Sakhi)

2. **Composition of Sustainability & CSR Committee:**

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	Dr. Ashok Misra	Chairman	2	2
2	Mr. Shyam S. Bhartia	Member	2	2
3	Mr. Hari S. Bhartia	Member	2	2
4	Mr. S. Sridhar	Member	2	2
5	Ms. Sudha Pillai	Member	2	2
6	Mr. Sushil Kumar Roongta	Member	2	2
7	Mr. Priyavrat Bhartia	Member	2	2
8	Mr. Arjun Shanker Bhartia	Member	2	2
9	Mr. Pramod Yadav	Member	2	2
10	Mr. Arvind Chokhany	Member	2	2

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company	www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/corporate-social-responsibility-policy
4	Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)	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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	NA	NA	NA
	Total		

6 Average net profit of the company as per section 135(5) ₹2,518.00 million

7 (a) Two percent of average net profit of the company as per section 135(5) ₹50.36 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) ₹50.36 million

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

Total Amount Spent for the Financial Year (₹ in Lac)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
50.40	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
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 ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implement-ation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
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		Amount spent for the project (₹ in Million)	Mode of Implemen-tation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Health (Arogya, Swasthya Prahari)	Eradicating hunger, poverty and malnutrition; promoting health care and sanitation and making available safe drinking water	Yes	Uttar Pradesh Maharashtra Gujarat	Amroha, GB Nagar Pune Vadodara, Bharuch	17.46	No	Jubilant Bhartia Foundation	CSR00001657

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the Project		(6) Amount spent for the project (₹ in Million)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
2	Education (Muskaan)	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently able persons and livelihood enhancement projects	Yes	-do-	-do-	13.76	No	-do-	CSR00001657
3	Livelihood (Nayee Disha)	-do-	Yes	-do-	-do-	12.96	No	-do-	CSR00001657
4	Rural Development	Local Area Development	Yes	-do-	-do-	6.22	No	-do-	CSR00001657
Total						**50.40**			

(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) : ₹50.40 Million

(g) Excess amount for set off, if any

Sr. No.	Particulars	Amounts (₹ in Million)
(i)	Two percent of average net profit of the company as per section 135(5)	50.36
(ii)	Total amount spent for the Financial Year	50.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.04
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

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

Sr. No.	Preceding Financial Year (in ₹)	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	NA	NA	NA	NA	NA	NA	NA
2	NA	NA	NA	NA	NA	NA	NA
3	NA	NA	NA	NA	NA	NA	NA
	Total						

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

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Comple-ted/ Ongoing
1.	NA	NA	NA	NA	NA	NA	NA	NA
2.	NA	NA	NA	NA	NA	NA	NA	NA
3.	NA	NA	NA	NA	NA	NA	NA	NA
	Total							

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) : NA

(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). : NIL

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

For **Jubilant Pharmova Limited**

Hari S Bhartia
Co-Chairman & Managing Director
(DIN: 00010499)

Ashok Misra
Chairman - Sustainability & CSR Committee
(DIN: 00006051)

Report on Corporate Governance

Annexure 5

A) COMPANY'S PHILOSOPHY

At Jubilant Pharmova Limited (the 'Company' or 'Jubilant'), Corporate Governance is both a tradition and a way of life. We believe in delivering on Our Promise of Caring, Sharing and Growing, which is elaborated as follows:

"We will, with utmost care for the environment and society, continue to enhance value for our customers by providing innovative products and economically efficient solutions; and for our stakeholders through growth, cost effectiveness and wise investment of resources."

The Company's Corporate Governance philosophy is led by the core principles of:

- Caring for the environment which includes caring for the society around us;
- Enhancement of stakeholders' value through pursuit of excellence, efficiency of operations, quest for growth and continuous innovation;
- Transparency, promptness and fairness in its disclosures and communication with all stakeholders including shareholders, government authorities, customers, suppliers, lenders, employees and the community at large; and
- Complying with laws in letter as well as in spirit.

Highlights of Jubilant's Corporate Governance regime are:

- Appropriate mix of Executive and Non-Executive Directors on the Board;
- Constitution of several committees for focused attention and proactive flow of information;
- Emphasis on ethical business conduct by the Board, management and employees;
- Employees Stock Option Plans - to attract, reward and retain key senior executives;
- Active employee participation in place; two top executives on the Board of Directors;
- Our business operates within a highly regulated environment and ensuring compliances play a vital role in the development of all businesses. In order to address this requirement, the Company has implemented cloud based compliance management and reporting system across key entities at North America and India locations.
- Online monitoring of internal controls on all operations spanning more than 1,500 control assertions through a specially designed software to institutionalise a quarterly system of certification to enable CEO/CFO certification of internal controls as per Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations');
- Robust Risk Management and Controls Mapping for each of the businesses and for the Company as a whole;
- Timely, transparent and regular disclosures;
- Paperless meetings of Board and Committees;
- Comprehensive Corporate Sustainability Management System;
- Established Code of Conduct for Directors and Senior Management as also for other employees;
- Robust Vigil Mechanism and Ombudsperson Process;
- Detailed Policy for Disclosure of Material Events and Information;
- Code of Conduct for Prevention of Insider Trading;
- Focus on hiring, retaining and nurturing best talent and to promote a culture of excellence across the organisation. Exhaustive HR policies cover succession planning, training and development, employee grievance handling, etc.; and
- Regular communication with shareholders including e-mailing of quarterly results and press releases just after release to the Stock Exchanges, e-mailing of Annual Reports and Corporate Sustainability Reports and obtaining online feedback from the shareholders.

The Securities and Exchange Board of India ('SEBI') regulates Corporate Governance practices and disclosure for the listed companies through the Listing Regulations. Jubilant is in full compliance with the Listing Regulations.

B) BOARD OF DIRECTORS

(i) Composition

The Board of Jubilant presently comprises twelve (12) members of which six (6) are Non-Executive Independent Directors including one (1) Independent Woman Director, four (4) Non-Executive Non-Independent Directors, one (1) Managing Director and one (1) Whole-time Director.

The tenure of Independent Directors is five consecutive years from the date of their appointment/re-appointment. The dates of appointment/re-appointment and tenure of the Independent Directors are given below:

Sr. No.	Name of Independent Director	Date of Appointment/ Re-appointment	Date of Completion of Tenure
1	Mr. S Sridhar	April 1, 2019	March 31, 2024
2	Ms. Sudha Pillai	April 1, 2019	March 31, 2024
3	Dr. Ashok Misra	April 1, 2019	March 31, 2024
4	Mr. Sushil Kumar Roongta	May 23, 2022	May 22, 2027
5	Mr. Vivek Mehra	May 23, 2022	May 22, 2027
6	Mr. Arun Seth	October 22, 2018	October 21, 2023

Notes:

1. Shareholders have, at the Annual General Meeting ('AGM') held on September 26, 2018, approved re-appointment of Mr. S. Sridhar, Ms. Sudha Pillai and Dr. Ashok Misra as Independent Directors for another term of five consecutive years effective from April 1, 2019.

2. Shareholders have, at the AGM held on September 22, 2021, approved re-appointment of Mr. Sushil Kumar Roongta and Mr. Vivek Mehra as Independent Directors for another term of five consecutive years effective from May 23, 2022.

The letters of appointment are issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provide effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosures.

(ii) Key functions of the Board

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of Jubilant are:

a. Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring corporate performance and overseeing major capital expenditures, acquisitions and divestments.

b. Monitoring effectiveness of the Company's governance practices and making changes as needed.

c. Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning.

d. Aligning remuneration of the Key Managerial Personnel and the Board with long term interests of the Company and its shareholders.

e. Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

f. Monitoring and managing potential conflicts of interest of management, Board members and shareholders, including misuse of corporate assets and abuse in related party transactions.

g. Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the law and relevant standards.

h. Overseeing the process of disclosure and communications.

i. Monitoring and reviewing Board Evaluation framework.

(iii) Meetings of the Board

Meetings of the Board are normally held at the Corporate Office of the Company at 1A, Sector 16A, Noida-201 301, Uttar Pradesh, India. During the year, Jubilant's Board met five times i.e. on April 1, 2021, June 4, 2021, July 23, 2021, October 22, 2021 and February 4, 2022.

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the Listing Regulations and provisions of the Companies Act, 2013 (the 'Act').

An annual calendar of meetings is prepared well in advance and shared with the Directors before commencement of the year to enable them to plan their attendance at the meetings. Directors are expected to attend the Board and Committee meetings, spend necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate to the Company Secretary matters requiring approval of the Board, well in advance, so that these can be included in the agenda for the scheduled Board/ Committee meetings.

Agenda papers are sent electronically to the Directors, well in advance, before the meetings. Draft minutes of the Board and Committee meetings are circulated to the Directors of the Company for their comments and thereafter, noted by the Board/Committees at the next meeting.

Composition of the Board of Directors as on March 31, 2022 and attendance at the Board meetings held during the Financial Year ended March 31, 2022 and at the last AGM are given below:

Name and Designation	Category	Attendance at Meetings		
		No. of Board Meetings		Last AGM Attended
		Held during tenure	Attended	
Mr. Shyam S. Bhartia (DIN: 00010484) Chairman	Non-Executive and Promoter	5	5	Yes
Mr. Hari S. Bhartia (DIN: 00010499) Co-Chairman & Managing Director	Executive and Promoter	5	5	Yes
Mr. S Sridhar (DIN: 00004272) Director	Non-Executive Independent	5	5	Yes
Ms. Sudha Pillai (DIN: 02263950) Director	Non-Executive Independent	5	5	Yes
Dr. Ashok Misra (DIN: 00006051) Director	Non-Executive Independent	5	5	Yes
Mr. Sushil Kumar Roongta (DIN: 00309302) Director	Non-Executive Independent	5	5	Yes
Mr. Vivek Mehra (DIN: 00101328) Director	Non-Executive Independent	5	5	Yes
Mr. Arun Seth (DIN: 00204434) Director	Non-Executive Independent	5	4	Yes
Mr. Priyavrat Bhartia (DIN: 00020603) Director	Non-Executive and Promoter	5	5	No
Mr. Arjun Shanker Bhartia (DIN: 03019690) Director	Non-Executive and Promoter	5	5	Yes
Mr. Pramod Yadav (DIN: 05264757) Director	Non-Executive Non-Independent	5	5	Yes
Mr. Arvind Chokhany (DIN: 06668147) Group Chief Financial Officer and Whole-time Director	Executive - Non Independent	5	5	Yes

Notes:

1. Mr. Shyam S. Bhartia and Mr. Hari S. Bhartia are related to each other, being brothers. Further, Mr. Priyavrat Bhartia is son of Mr. Shyam S. Bhartia and Mr. Arjun Shanker Bhartia is son of Mr. Hari S. Bhartia.
2. Mr. Arvind Chokhany has been appointed as Group Chief Financial Officer and Whole-time Director of the Company effective from April 1, 2021.

(iv) Other Directorship

Details of directorship in other bodies corporate and chairmanship/ membership of the Board Committees held by the Directors as on March 31, 2022 are given below:

Name of Director	No. of Directorship in Other Bodies Corporate				No. of Chairmanship/ Membership of Committees		Directorship in other listed companies and Category of Directorship
	Public Listed	Public Unlisted	Private	Foreign	Chairmanship	Membership	
Mr. Shyam S. Bhartia	3	2	10	11	0	2	1. Jubilant FoodWorks Limited - Chairman and Non-Executive Non-Independent Director
							2. Chambal Fertilisers and Chemicals Limited - Co-Chairman and Non-Executive Non-Independent Director
							3. Jubilant Ingrevia Limited - Chairman and Non-Executive Non-Independent Director
Mr. Hari S. Bhartia	3	2	8	3	0	2	1. Jubilant FoodWorks Limited - Co-chairman and Non-Executive Non-Independent Director
							2. Shriram Pistons and Rings Limited - Independent Director
							3. Jubilant Ingrevia Limited - Co-chairman and Non-Executive Non-Independent Director

Name of Director	No. of Directorship in Other Bodies Corporate				No. of Chairmanship/ Membership of Committees		Directorship in other listed companies and Category of Directorship
	Public Listed	Public Unlisted	Private	Foreign	Chairmanship	Membership	
Mr. S Sridhar	3	4	4	0	5	6	1. Strides Pharma Science Limited - Independent Director 2. Shriram Transport Finance Company Limited - Independent Director 3. Go Fashion (India) Limited - Independent Director
Ms. Sudha Pillai	4	4	1	0	4	10	1. Dalmia Bharat Limited - Independent Director 2. Amber Enterprises India Limited - Independent Director 3. Indian Energy Exchange Limited - Independent Director 4. Jubilant Ingrevia Limited - Independent Director
Dr. Ashok Misra	1	0	3	1	1	3	1. Kirloskar Electric Company Limited - Independent Director
Mr. Sushil Kumar Roongta	5	3	0	0	2	6	1. Titagarh Wagons Limited - Independent Director 2. ACC Limited - Independent Director 3. JK Paper Limited - Non-Executive Non-Independent Director 4. Jubilant Ingrevia Limited - Independent Director 5. Zuari Global Limited - Independent Director
Mr. Vivek Mehra	6	3	2	2	3	7	1. DLF Limited - Independent Director 2. HT Media Limited - Independent Director 3. Chambal Fertilisers and Chemicals Limited - Independent Director 4. Digicontent Limited - Independent Director 5. Havells India Limited- Independent Director 6. Zee Entertainment Enterprises Limited - Independent Director
Mr. Arun Seth	3	6	8	0	1	10	1. Narayana Hrudayalaya Limited - Independent Director 2. Jubilant Ingrevia Limited - Independent Director 3. Cyber Media (India) Limited - Independent Director
Mr. Priyavrat Bhartia	5	2	9	0	0	5	1. Jubilant Industries Limited - Non-Executive Non-Independent Chairperson 2. HT Media Limited - Non-Executive Non-Independent Director 3. Hindustan Media Ventures Limited - Non-Executive Non-Independent Director 4. Digicontent Limited - Non-Executive Non-Independent Director 5. Jubilant Ingrevia Limited - Non-Executive Non-Independent Director

Name of Director	No. of Directorship in Other Bodies Corporate				No. of Chairmanship/ Membership of Committees		Directorship in other listed companies and Category of Directorship
	Public Listed	Public Unlisted	Private	Foreign	Chairmanship	Membership	
Mr. Arjun Shanker Bhartia	1	0	2	0	0	1	Jubilant Ingrevia Limited - Non-Executive Non-Independent Director
Mr. Pramod Yadav	0	2	0	19	0	1	-
Mr. Arvind Chokhany	0	6	0	2	0	3	-

Notes:

1. Directorships include Directorships in Section 8 companies.
2. Pursuant to Regulation 26 of the Listing Regulations, Chairmanship/ Membership of the Audit Committee and the Stakeholders Relationship Committee of Indian Public Companies (excluding Section 8 companies), whether listed or not, have been considered. Chairmanship/Membership of the Audit Committee and Stakeholders Relationship Committee held by the Directors in Jubilant are also included.
3. Mr. Arvind Chokhany has been appointed as Group Chief Financial Officer and Whole-time Director of the Company effective from April 1, 2021.

(v) Information given to the Board

The Board and its Committees have complete access to all relevant information. Such information is submitted either as a part of the agenda papers prior to the meetings or by way of presentations and discussion material during the meetings. Such information, inter alia, includes the following:

- Annual operating plans, budgets and updates thereon;
- Capital budgets and updates thereon;
- Quarterly results of the Company and its operating divisions and business segments;
- Minutes of the meetings of Audit Committee and other committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal and serious accidents, dangerous occurrences, any material effluent and pollution problems;
- Material defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Issues which involve possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Minutes of Board Meetings of unlisted subsidiary companies;
- Statement of significant transactions or arrangements made by unlisted subsidiary companies;
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.;
- Compliance reports pertaining to applicable laws and steps taken to rectify instances of non-compliances, if any; and
- Quarterly Compliance Report on Corporate Governance.

(vi) Independent Directors' Meeting

The Independent Directors met on June 3, 2021 without attendance of the Non-Independent Directors and members of the Management of the Company. Mr. S. Sridhar, Independent Director, led the meeting. The Independent Directors, inter alia, evaluated performance of Non-Independent Directors, Chairperson of the Company and the Board of Directors. They also assessed quality, content and timeliness of the flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(vii) Familiarisation Programme for Independent Directors

The Independent Directors are familiarised about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates, etc. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website www.jubilantpharmova.com. The web-link for the same is: https://www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/familiarisation-programme-for-independent-directors.

(viii) List of core skills/ expertise/ competencies identified by the Board

The following core skills/ expertise/ competencies identified by the Board of Directors for effective functioning of the Company are available with the Directors:

Skills and Expertise of the Board	**Mr. Shyam S. Bhartia**	**Mr. Hari S. Bhartia**	**Mr. S Sridhar**	**Ms. Sudha Pillai**	**Dr. Ashok Misra**	**Mr. Sushil Kumar Roongta**	**Mr. Vivek Mehra**	**Mr. Arun Seth**	**Mr. Priyavrat Bhartia**	**Mr. Arjun Shanker Bhartia**	**Mr. Pramod Yadav**	**Mr. Arvind Chokhany**
Deep understanding of Company's business/ strategy and structure	√	√	√	√	√	√	√	√	√	√	√	√
Relevant Industry expertise	√	√							√	√	√	√
Financial acumen	√	√	√	√	√	√	√	√	√	√	√	√
Knowledge in Accounting and Auditing Standards and tax matters	√	√	√	√		√	√		√	√		√
Knowledge of the Companies Act, applicable SEBI and Stock Exchange Regulations	√	√	√	√	√	√	√		√	√		√
Knowledge of Employee Benefit Schemes and matters related to employee hiring/ skill development, gender diversity, etc.	√	√	√	√		√	√	√	√	√	√	√
Entrepreneurial skills to evaluate risk and rewards and perform advisory role	√	√	√	√	√	√	√	√	√	√	√	√
Focus on compliance	√	√	√	√	√	√	√	√	√	√	√	√
Understanding of the processes and systems for defining high corporate governance standards	√	√	√	√	√	√	√	√	√	√	√	√
Understanding rights of Shareholders and obligations of the Management	√	√	√	√	√	√	√	√	√	√		√
Knowledge in global standards on Corporate Sustainability and Sustainability Reporting based on Global Reporting Initiatives (GRI) Standards	√	√	√	√	√	√		√	√	√	√	√
Experience in Risk Management/ Operational Risk Management/ Financial Risk Assessment	√	√	√	√	√	√		√	√	√	√	√
Information Technology skills	√	√	√	√	√	√		√	√	√	√	√

(ix) Confirmation of Independence

In the opinion of the Board, Independent Directors fulfil the conditions of independence specified in the Listing Regulations and they are independent of the Management of the Company.

(x) Certificate from Practicing Company Secretary on qualification of Directors

The Company has obtained a certificate from the Practicing Company Secretary, Mr. Tanuj Vohra, Partner, TVA & Co. LLP, Company Secretaries confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as **Annexure-A**.

C) COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth their purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. These Committees meet as often as required or as statutorily required.

The minutes of meetings of the Committees of the Board are circulated quarterly to the Board for noting.

The Committees of the Board are:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Sustainability & CSR Committee
- Risk Management Committee
- Re-organisation Committee
- Capital Issue Committee
- Finance Committee
- Fund Raising Committee

Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of these Committees. Terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are as under:

AUDIT COMMITTEE

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Audit Committee through regular interaction with the external and internal auditors and review of various financial statements ensures that the interests of stakeholders are properly protected.

All the members of the Audit Committee are financially literate and have accounting or financial management expertise.

(i) Terms of Reference

The Audit Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Committee have been revised to align the same with the Listing Regulations, as amended. The terms of reference of the Committee, inter alia, include the following:

1. Oversight of the Company's financial reporting process and disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of cost auditors and statutory auditors including their replacement or removal.
3. Approval for payment to statutory auditors for any other permitted services rendered by statutory auditors.
4. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Directors' Responsibility Statement forming part of the Board's report.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgement by management.
   d. Significant adjustments made in the financial statements arising out of audit findings.
   e. Compliance with listing and other legal requirements relating to financial statements.
   f. Disclosure of any related party transactions.
   g. Draft auditors' reports including modified opinion(s), if any.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. 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 steps in this matter.
7. Reviewing and monitoring with the management, independence and performance of statutory and

internal auditors, adequacy of internal control systems and effectiveness of the audit processes.

8. Reviewing adequacy of internal audit function 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.
9. Discussion with internal auditors on any significant findings and follow up thereon.
10. 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.
11. 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.
12. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review functioning of the Whistle Blower Policy (Vigil Mechanism).
14. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
15. Approval or any subsequent modification of transactions of the Company with related parties.
16. Scrutiny of inter-corporate loans and investments.
17. Valuation of undertakings or assets of the Company, wherever it is necessary.
18. Evaluation of internal financial controls and risk management system.
19. Review of management discussion and analysis of financial condition and results of operations.
20. Review of management letters/ letters of internal control weaknesses issued by the statutory auditors.
21. Review of internal audit reports relating to internal control weaknesses.
22. Review of financial statements, in particular, investments made by the subsidiary company(ies).
23. Reviewing the utilisation of loans and/ or advances from / investment by the Company in any subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments.
24. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal controls are adequate and are operating effectively.
25. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the Company and its shareholders.
26. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

As on date, the Audit Committee comprises Mr. S Sridhar, Chairman, Ms. Sudha Pillai, Dr. Ashok Misra, Mr. Vivek Mehra, Mr. Priyavrat Bhartia and Mr. Arvind Chokhany.

Mr. Rajiv Shah, Company Secretary and Compliance Officer, officiates as the Secretary to the Committee.

Invitees

Mr. Pramod Yadav, Director, Mr. Arun Kumar Sharma, Head-Group Treasury and Chief Financial Officer, Statutory Auditors, representatives of the Internal Audit firm and Head of the Risk and Management Assurance and other executives attend the Audit Committee meetings as invitees.

(iii) Meetings, Quorum and Attendance

The Audit Committee meets at least four times in a year with a gap of not more than 120 days between two consecutive meetings. The quorum for the meetings is two members or one-third of members whichever is higher, with atleast two Independent Directors.

During the year, the Committee met six times i.e. on April 1, 2021, June 4, 2021, June 10, 2021, July 23, 2021, October 22, 2021 and February 4, 2022.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. S. Sridhar, Chairman	6	6
Ms. Sudha Pillai, Member	6	6
Dr. Ashok Misra, Member	6	6
Mr. Vivek Mehra, Member	6	6
Mr. Priyavrat Bhartia, Member	6	5
Mr. Arvind Chokhany, Member*	5	5

*Appointed as a Member of the Audit Committee at the Board Meeting held on April 1, 2021.

NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

The Nomination, Remuneration and Compensation ('NRC') Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations.

(i) Terms of Reference

Terms of reference of the Committee have been revised to align the same with the provisions of the Listing Regulations. The role of the Committee is:

1. To identify persons who are qualified to become directors in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
3. Specify manner for effective evaluation of performance of the Board, its committees and Directors and review its implementation and compliance.
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
5. For appointment of an Independent Director on the Board, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director to be appointed.

   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, the Committee may:

   a. use the services of an external agency, if required
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. consider the time commitments of the candidates.
6. Devising a policy on Board diversity.
7. To formulate and recommend to the Board, policies relating to the remuneration of Directors, Key Managerial Personnel and other employees of the Company.
8. To discharge the role envisaged under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
9. Recommend to the board, all remuneration, in whatever form, payable to the senior management.
10. Extend or continue the term of appointment of the independent directors on the basis of report of the performance evaluation.
11. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

As on date, the Committee comprises Ms. Sudha Pillai, Chairperson, Mr. Shyam S. Bhartia, Mr. Sushil Kumar Roongta and Mr. Vivek Mehra.

Invitees

Mr. Hari S. Bhartia, Co-Chairman and Managing Director and Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-time Director are invitees to the NRC Committee meetings.

(iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate with atleast one meeting in a year. The quorum for the meetings is two members or one-third of members, whichever is greater including atleast one Independent Director.

During the year, the Committee met five times i.e. on April 1, 2021, June 4, 2021, July 23, 2021, October 22, 2021 and February 4, 2022.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Ms. Sudha Pillai, Chairperson	5	5
Mr. Shyam S. Bhartia, Member	5	5
Mr. Sushil Kumar Roongta, Member	5	5
Mr. Vivek Mehra, Member	5	5

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee oversees various aspects of interest of security holders like review of adherence to the service standards adopted for security holder services, measures taken for reducing the quantum of unclaimed dividends, redressal of shareholder and investor grievances and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the Listing Regulations. Additionally, the Board has authorised the Chief Financial Officer and the Company Secretary to jointly exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

(i) Terms of Reference

The role of the Committee is:

1. Resolving grievances of the security holders of the Company including complaints related to transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
2. Review of measures taken for effective exercise of voting rights by the shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.
5. To discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

As on date, the Committee comprises Mr. S. Sridhar, Chairman, Mr. Shyam S. Bhartia, Dr. Ashok Misra, Mr. Arun Seth and Mr. Arvind Chokhany.

Compliance Officer

Mr. Rajiv Shah, Company Secretary and Compliance Officer, officiates as the Secretary to the Committee.

(iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate with atleast one meeting in a year. The quorum for the meetings is two members or one-third of members, whichever is higher.

During the year, the Committee met on June 4, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. S. Sridhar, Chairman	1	1
Mr. Shyam S. Bhartia, Member	1	1
Dr. Ashok Misra, Member	1	1
Mr. Arun Seth, Member	1	1
Mr. Arvind Chokhany, Member	1	1

(iv) Investor Complaints

During the year, the Company received ten (10) complaints, which were duly resolved to the satisfaction of the shareholders. One (1) complaint was pending as on March 31, 2022 and was resolved on April 13, 2022.

(v) Transmissions approved

During the year, the Company received 46 cases representing 24,845 shares for share transmission, of which, 40 cases representing 20,685 shares were approved and 6 cases representing 4,160 shares were rejected on technical grounds.

SUSTAINABILITY & CSR COMMITTEE

Sustainability & CSR Committee has been constituted to review and oversee the Sustainability and Corporate Social Responsibility ('CSR') initiatives of the Company.

(i) Terms of Reference

The role of the Committee is:

i. Sustainability:

- To take all steps and decide all matters relating to triple bottom line indicators viz. Economic, Environmental and Social factors.

ii. CSR:

- To formulate and recommend to the Board, a CSR Policy, strategy and goals, which shall indicate the activities to be undertaken by the Company.
- To recommend the Annual Action Plan including amount of expenditure to be incurred on the activities referred to in the CSR Policy and review the same.
- To monitor the implementation of CSR Policy including CSR projects/ programmes.

iii. Business Responsibility Policies:

- To review and implement Business Responsibility policies; and

iv. Any other role as may be decided by the Board from time to time.

(ii) Composition

As on date, the Committee comprises Dr. Ashok Misra, Chairman, Mr. Shyam S. Bhartia, Mr. Hari S. Bhartia, Ms. Sudha Pillai, Mr. S. Sridhar, Mr. Sushil Kumar Roongta, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia, Mr. Pramod Yadav and Mr. Arvind Chokhany.

(iii) Meetings, Quorum and Attendance

The Committee meets atleast once in every six months. The quorum for the meetings is two members or one-third of members, whichever is higher.

During the year, the Committee met on June 4, 2021 and October 22, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Dr. Ashok Misra, Chairman	2	2
Mr. Shyam S. Bhartia, Member	2	2
Mr. Hari S. Bhartia, Member	2	2
Ms. Sudha Pillai, Member	2	2
Mr. S. Sridhar, Member	2	2
Mr. Sushil Kumar Roongta, Member	2	2
Mr. Priyavrat Bhartia, Member	2	2
Mr. Arjun Shanker Bhartia, Member	2	2
Mr. Arvind Chokhany, Member	2	2
Mr. Pramod Yadav, Member	2	2

RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted in compliance with the provisions of the Listing Regulations.

(i) Terms of Reference

The role of the Committee is:

a) To formulate a Risk Management Policy which shall include:

   i. A framework for identification of internal and external risks specifically faced by the Company, 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.

   ii. Measures for risk mitigation including systems and processes for internal control of identified risks.

   iii. Business continuity plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

g) To safeguard the shareholders' interests and the Company's assets, and assist the Board in determining the nature and extent of the significant risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.

h) To receive and review, as and when appropriate, reports from the Company's internal audit function on the results of risk management reviews and assessments as well as all relevant risk reports of the Company.

i) Review the Company's procedures for detection and resolution of fraud. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

j) To discharge any other duties or responsibilities as may be prescribed by the law or as may be delegated to the Committee by the Board, from time to time.

(ii) Composition

As on date, the Committee comprises Mr. Sushil Kumar Roongta, Chairman, Mr. Hari S. Bhartia, Ms. Sudha Pillai, Mr. S. Sridhar, Mr. Arun Seth, Mr. Pramod Yadav and Mr. Arvind Chokhany.

Invitee

Mr. Arun Kumar Sharma, Head-Group Treasury and Chief Financial Officer is invitee to the meetings of the Committee.

(iii) Meetings, Quorum and Attendance

The Risk Management Committee meets at least twice in a year with a gap of not more than 180 days between two consecutive meetings. The quorum for the meetings is two members or one-third of members, whichever is higher, with atleast one Independent Director.

During the year, the Committee met on May 26, 2021 and November 19, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Sushil Kumar Roongta, Chairman	2	2
Mr. Hari S. Bhartia, Member	2	0
Mr. S. Sridhar, Member	2	2
Ms. Sudha Pillai, Member	2	2
Mr. Arun Seth, Member	2	2
Mr. Pramod Yadav, Member	2	2
Mr. Arvind Chokhany, Member	2	2

REORGANIZATION COMMITTEE

The Restructuring Committee has been renamed as Reorganization Committee effective from July 23, 2021. Reorganization Committee functions according to its terms of reference that define its authority and responsibility which, inter alia, include the following:

(i) Terms of Reference

The role of the Committee is to facilitate in-depth evaluation of various options of corporate restructuring including demerger/ transfer of undertakings, businesses and operations of the Company on a going concern basis and their respective implications and to take other consequential actions including allotment of securities for facilitating restructuring.

(ii) Composition

As on date, the Committee comprises Mr. Shyam S. Bhartia, Chairman, Mr. Hari S. Bhartia, Mr. S. Sridhar, Mr. Sushil Kumar Roongta, Mr. Vivek Mehra and Mr. Arvind Chokhany.

(iii) Meetings and Attendance

The Committee meets as frequently as circumstances necessitate. During the year, no Committee meeting was held.

CAPITAL ISSUE COMMITTEE

The Capital Issue Committee functions according to its terms of reference that define its authority and responsibility which, inter alia, include the following:

(i) Terms of Reference

The role of the Committee is to decide about the following with reference to fund raising:

1. Type of instruments.
2. Size of the issue within the overall limit approved by the Board of Directors.
3. Terms and conditions of the issue / allotment/ conversion.
4. Appointment of merchant bankers, lawyers, auditors, depositories, printers and other agencies.
5. Other consequential actions as may be necessary for implementing the above referred proposal.

(ii) Composition

As on date, the Committee comprises Mr. Shyam S. Bhartia, Chairman, Mr. Hari S. Bhartia, Mr. S Sridhar, Mr. Priyavrat Bhartia and Mr. Arjun Shanker Bhartia.

(iii) Meetings and Quorum

The Committee meets as frequently as circumstances necessitate. The quorum for the meetings is two members or one-third of members, whichever is higher.

During the year, no Committee meeting was held.

FINANCE COMMITTEE

The Board of Directors of the Company has delegated the powers to borrow money and to avail financial assistance from banks, financial institutions, etc. to the Finance Committee.

(i) Terms of Reference

1. To avail financial assistance from banks, financial institutions, NBFCs, mutual funds, insurance companies or any other lender by way of term loans, working capital loans or any other funding method.
2. To approve creation of mortgages / charges in favour of lenders.
3. To give corporate guarantees to banks/financial institutions for financial assistance availed by wholly-owned subsidiaries.
4. To open, operate, transfer and close accounts with banks/ institutions outside India from time to time.

(ii) Composition

As on date, the Committee comprises Mr. Shyam S. Bhartia, Chairman, Mr. Hari S. Bhartia, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia and Mr. Arvind Chokhany.

Invitee

Mr. Arun Kumar Sharma, Head-Group Treasury and Chief Financial Officer is invitee to the Finance Committee meetings.

(iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate. The quorum for the meetings is two members.

During the year, the Committee met two times i.e. on June 24, 2021 and September 16, 2021. Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Shyam S. Bhartia, Chairman	2	1
Mr. Hari S. Bhartia, Member	2	2
Mr. Priyavrat Bhartia, Member	2	1
Mr. Arjun Shanker Bhartia, Member	2	2
Mr. Arvind Chokhany, Member	2	1

FUND RAISING COMMITTEE

The Fund Raising Committee functions according to its terms of reference that define its authority and responsibility which, inter alia, include the following:

(i) Terms of Reference

The Committee is authorised to take all steps and decide all matters to explore the options and opportunities for raising money by listing the Pharma business and to finalise and execute the consolidation, reorganisation and listing of the Pharma business and to give loans to, make investments in and provide guarantee/ security to wholly-owned subsidiaries or any other person/ body corporate.

(ii) Composition

As on date, the Committee comprises Mr. Shyam S. Bhartia, Chairman, Mr. Hari S. Bhartia, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia and Mr. Arvind Chokhany.

Invitee

Mr. Arun Kumar Sharma, Head-Group Treasury and Chief Financial Officer is invitee to the meetings of the Committee.

(iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate. During the year, the Committee met once i.e. on July 23, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Shyam S. Bhartia, Chairman	1	1
Mr. Hari S. Bhartia, Member	1	1
Mr. Priyavrat Bhartia, Member	1	1
Mr. Arjun Shanker Bhartia, Member	1	0
Mr. Arvind Chokhany, Member	1	0

D) PERFORMANCE EVALUATION AND ITS CRITERIA

Pursuant to the provisions of the Act, the Listing Regulations and the Performance Evaluation Policy of the Company, the Board has carried out annual evaluation of its performance, its committees, Chairperson and Directors through structured questionnaire.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board committees were evaluated by the respective committee members on the parameters such as its role and responsibilities, effectiveness of the committee vis-a-vis assigned role, appropriateness of committee composition, timely receipt of information by the committee, effectiveness of communication by the committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters such as demonstration of effective leadership, contribution to the Board's work, communication with the Board, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence and their independence from the Management. Also, the performance evaluation of the Non Independent Directors was carried out by the Independent Directors.

The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The results of the evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan to further improve the effectiveness and functioning of the Board and Committees.

The Directors expressed their satisfaction with the evaluation process. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors.

E) REMUNERATION OF DIRECTORS

The details of remuneration paid to Executive and Non-Executive Directors during the Financial Year 2021-22 are given below:

(i) Remuneration to Managing/ Whole-Time Directors

(Amount in ₹)

Sr. No.	Particulars	Mr. Hari S. Bhartia, Co-Chairman and Managing Director	Mr. Arvind Chokhany, Group Chief Financial Officer & Whole-time Director*
1	Salary	27,000,000	13,000,080
2	Commission Payable (as a % of profit)	10,200,000	-
3	House Rent Allowance	16,200,000	7,800,048
4	Contribution to Provident Fund	3,240,000	1,560,010
5	Gratuity	-	-
6	Leave Encashment	-	-
7	Perquisite Value of Stock Options	-	-
8	Allowances/ Perquisites	65,028,201	17,569,847
9	Variable Pay	-	-
	Total	**121,668,201**	**39,929,985**

Note: Remuneration comprises salary, allowances, commission, perquisites/ taxable value of perquisites, etc.

* Mr. Arvind Chokhany also holds 14,414 stock options under JLL Employees' Stock option Plan, 2018.

The remuneration of the Executive Directors is fixed keeping in view their qualification, experience, capabilities, their past performance and achievements and also remuneration paid to the Executive Directors of other companies which are similar to the Company in terms of nature of business, size and complexity. A suitable component of remuneration payable to the Executive Directors is linked to their performance and performance of the business and the Company.

Service Contracts, Notice Period and Severance Fees

Appointments of Managing Director and Whole-time Directors are contractual. Appointment of Whole-time Directors is terminable on 3 months' notice or by payment of Basic Salary in lieu thereof. No severance fee is payable to Managing Director and Whole-time Directors.

(ii) Remuneration to Non-Executive Directors

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at the Board/ Committee meetings. They are remunerated by way of sitting fees for attending the meetings and commission on profit, as approved by the Board and shareholders of the Company.

Details of Equity Shares held, commission and sitting fees of the Non-Executive Directors for the year ended March 31, 2022 are given in the table below:

Name of Director	No. of Equity Shares of ₹1 held	Sitting Fees (₹)	Commission Payable (₹)	Total (₹)
Mr. Shyam S. Bhartia	1,399,925	-	-	-
Mr. S. Sridhar	Nil	940,000	1,000,000	1,940,000
Ms. Sudha Pillai	Nil	1,160,000	1,000,000	2,160,000
Dr. Ashok Misra	Nil	840,000	1,000,000	1,840,000
Mr. Sushil Kumar Roongta	Nil	860,000	1,000,000	1,860,000
Mr. Vivek Mehra	Nil	1,000,000	1,000,000	2,000,000
Mr. Arun Seth	2,000	505,000	1,000,000	1,505,000
Mr. Priyavrat Bhartia	3,085	–	–	–
Mr. Arjun Shanker Bhartia	Nil	–	–	–
Mr. Pramod Yadav	Nil	–	–	–
Total	**1,405,010**	**5,305,000**	**6,000,000**	**11,305,000**

Notes:

1. Mr. Shyam S. Bhartia, Chairman, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia and Mr. Pramod Yadav, Directors have opted not to take commission and sitting fees for the Financial Year 2021-22.
2. Other than holding Shares and remuneration indicated above, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year.

F) GENERAL BODY MEETINGS

(i) Date, time and location of the Annual General Meetings held during the last three years

Financial Year	Date	Time	Location
2018-19 (41st AGM)	September 25, 2019	11:30 a.m.	Registered Office: Bhartiagram, Gajraula, District Amroha-244 223, Uttar Pradesh
2019-20 (42nd AGM)	September 11, 2020	10:00 a.m.	Video Conferencing/ Other Audio Visual Means
2020-21 (43rd AGM)	September 22, 2021	11:00 a.m.	Video Conferencing/ Other Audio Visual Means

Following are the Special Resolutions passed at the Annual General Meetings held in the last three years

Meeting	Subject Matter of Special Resolutions Passed
41st AGM	1. Appointment of Mr. Anant Pande as a Whole-time Director for a period of 5 years effective from October 22, 2018. 2. Approval for implementation of 'Jubilant General Employee Benefits Scheme - 2019' ('JGEBS'). 3. Approval for extending the benefits of JGEBS to the employees of the holding company and subsidiary companies of the Company.
42nd AGM	Nil
43rd AGM	1. Approval for payment of Remuneration to Mr. Hari S. Bhartia, Co-Chairman and Managing Director, for the Financial Year 2021-22. 2. Re-appointment of Mr. Hari S. Bhartia as Co-Chairman and Managing Director of the Company for a period of three years effective from April 1, 2022. 3. Appointment of Mr. Arvind Chokhany as a Group Chief Financial Officer and Whole-time Director for a period of 3 years effective from April 1, 2021. 4. Re-appointment of Mr. Sushil Kumar Roongta as an Independent Director for a term of 5 years ending on May 22, 2027. 5. Re-appointment of Mr. Vivek Mehra as an Independent Director for a term of 5 years ending on May 22, 2027. 6. Approval for continuation of appointment of Dr. Ashok Misra, as an Independent Director upto the completion of his present term ending on March 31, 2024, notwithstanding that he would be completing 75 years of age during his present term. 7. Approval for payment of commission to Directors other than Managing Director(s) / Whole-time Director(s) in addition to sitting fees for attending meetings of the Board of Directors, Independent Directors, committee(s) of the Board, etc. not exceeding, three per cent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 and other applicable provisions, if any, of the Act.

(ii) Special Resolutions passed through Postal Ballot in Financial Year 2021-22

No Special Resolution was passed through Postal Ballot during the Financial Year 2021-22.

(iii) Whether any Special Resolution is proposed to be passed through Postal Ballot

Special Resolution for Alteration of Articles of Association of the Company was passed by Shareholders on May 16, 2022.

(iv) Procedure for Postal Ballot

- The notices containing the proposed resolutions and explanatory statement are sent to the shareholders electronically containing the details of the Scrutiniser appointed by the Board for carrying out the Postal Ballot process;
- The Postal Ballot votes cast within 30 days of dispatch are considered by the Scrutiniser;
- The Scrutiniser submits his report to the Chairman/ Co-Chairman of the Company or a person authorised by them, who on the basis of the report, announces the results; and
- The Company has entered into an agreement with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

G) CODES AND POLICIES

The Company has established a robust framework of Codes and Policies that facilitates and reflects adoption of good governance practices. The salient Codes and Policies adopted by the Company are mentioned below:

i. Code of Conduct for Directors and Senior Management

The Company has formulated and implemented a Code of Conduct for the Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration to this effect signed by Mr. Hari S. Bhartia, Co-Chairman & Managing Director is enclosed as Annexure-B. The Code of Conduct is posted on the Company's website www.jubilantpharmova.com.

ii. Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by the Designated Persons. The Code also includes requirements for the Structured Digital Database, prescribed format for reporting of trading in the securities of the Company, reporting of violations to the stock exchanges etc. The Company has also implemented the Policy and Procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ('UPSI'), pursuant to the SEBI Insider Trading Regulations.

Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board on a quarterly basis. Pursuant to the SEBI Insider Trading Regulations, the Company has established a Structured Digital Database with adequate internal controls and checks such as time stamp and audit trails. The Company has also established effective internal controls to ensure compliance with the SEBI Insider Trading Regulations. These internal controls are reviewed annually by the Audit committee and the Board of Directors to ensure effectiveness of such controls. The compliances with the SEBI Insider Trading Regulations for the financial year ended March 31, 2022 were independently reviewed by the Secretarial Auditors of the Company.

iii. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information with a view to facilitate prompt, uniform and universal dissemination of unpublished price sensitive information. The Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website www.jubilantpharmova.com.

iv. Policy for Determining Materiality of Events and Information

The Company has adopted the Policy for Determining Materiality of Events and Information. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges. The Policy is displayed on the Company's website www.jubilantpharmova.com.

v. Whistle Blower Policy

Jubilant has a robust Whistle Blower Policy and Ombudsman Process to make the workplace at Jubilant conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behavior, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimisation/ discrimination which is a sine qua non for an ethical organisation.

The Whistle Blower Policy has been posted on the Company's website at https://www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/whistle-blower-policy. The Audit Committee periodically reviews functioning of the Policy and the Ombudsperson Process. During the year, the Policy was revised to enhance the scope and purpose of the Policy for improved transparency, better governance and effective compliance. During the year, no Director or full time employee was denied access to the Chairman of the Audit Committee.

vi. Appointment and Remuneration Policy

The Company has a Policy on appointment and remuneration of Directors, Key Managerial Personnel ('KMP') and Senior Management/ other employees ('Employees') of the Company. The Policy aims to ensure that the persons appointed as Directors, KMPs and Employees possess the requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the remuneration of such persons is fair, reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as remuneration. The Policy is displayed on the Company's website and web-link for the same is: https://www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/appointment-and-remuneration-policy.

vii. Policy for Determining Material Subsidiaries

Policy for Determining Material Subsidiaries is displayed on the Company's website. The web-link for the same is: https://www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/policy-for-determining-material-subsidiaries. As on March 31, 2022, the Company has 4 material subsidiaries, namely Jubilant Generics Limited, Jubilant Draximage Inc., Canada, Jubilant Pharma Holdings Inc., USA and Jubilant HollisterStier LLC, USA.

viii. Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions

Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions is displayed on the Company's website. During the year, the Policy has been revised by the Board pursuant to amendments in Listing Regulations. Salient changes in the revised Policy includes revision of definition of Related Party and Related Party Transactions, insertion of definition of material modification of Related Party Transactions etc. The web-link for the same is: https://www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/policy-on-rpts.

ix. **Dividend Distribution Policy**

The Company has formulated and implemented the Dividend Distribution Policy in accordance with the Listing Regulations. The Policy is displayed on the Company's website. The web-link for the same is: https://www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/dividend-distribution-policy.

x. **Policy for Preservation of Documents**

The Company has a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company.

xi. **Archival Policy**

The Company has an Archival Policy that lays down the process and manner of archiving the disclosures made to the Stock Exchanges under the Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchanges. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website at https://www.jubilantpharmova.com/investors/corporate-governance/policies-and-codes/archival-policy.

xii. 'Corporate Social Responsibility Policy' is displayed on the Company's website www.jubilantpharmova.com.

xiii. Risk Management Policy.

xiv. Policy on Board Diversity.

xv. Succession Plan for Board Members and Senior Management.

xvi. Performance Evaluation Policy.

xvii. Code of Conduct for Employees.

xviii. Policy for Prevention of Sexual Harassment.

H) DISCLOSURES

(i) There are no materially significant transactions with the related parties viz. promoters, directors, their relatives or the management, subsidiaries, etc. that may have a potential conflict with the interests of the Company at large. Related Party Transactions are given at Note No. 37 to the Standalone Financial Statements;

(ii) The Securities and Exchange Board of India ('SEBI') had, by Adjudication Order dated January 31, 2018, (the 'Adjudication Order') imposed a penalty of ₹1,000,000 each on the Company and Mr. Shyam S. Bhartia, Mr. Hari S. Bhartia and Jubilant Stock Holding Private Limited, a promoter group entity (collectively referred to as 'Promoter Group') as well as Mr. Amit Arora, an ex-employee of the Company (who is now employed with a group company).

The Adjudication Order states that the Company had violated the applicable provisions of the erstwhile Listing Agreement by making delayed disclosures to the stock exchanges in respect of material price sensitive information of certain events.

In terms of the Adjudication Order, SEBI had imposed penalty on the Promoter Group for purchasing equity shares of the Company while they were in possession of certain unpublished price sensitive information. Similarly, penalty had been imposed on the ex-employee for selling and purchasing equity shares of the Company while in possession of unpublished price sensitive information.

The Company, the Promoter Group and the ex-employee had filed appeals against the Adjudication Order on April 24, 2018 before the Securities Appellate Tribunal ('SAT'), Mumbai.

SAT, by its Order dated November 7, 2019, reduced the penalty on Jubilant Pharmova Limited from ₹1,000,000 to ₹500,000 and dismissed the appeals of the Promoter Group and Mr. Amit Arora. The penalty as imposed has been paid by the Company, Promoter Group and Mr. Amit Arora along with interest and hence the matter has been closed.

No other penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter relating to capital markets during the last 3 years;

(iii) Listing fees for the Financial Year 2021-22 have been paid to the Stock Exchanges on which securities of the Company are listed;

(iv) Detailed note on the risk management is included in the Management Discussion and Analysis section;

(v) Commodity Price Risks/ Foreign Exchange Risk and Hedging Activities: Your Company was exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company.

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 taken, including but not limited to, entering into forward contract and interest rate swap.

As per the Company's Policy for Determination of Materiality of Events and Information, your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

(vi) Fees paid to Statutory Auditors: The Company and its subsidiaries have paid aggregate fees of ₹14.89 million to the Statutory Auditors and its network firms/ entities for audit and non-audit services availed during the Financial Year 2021-22;

(vii) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

Sr. No.	Particulars	Details
1	Number of complaints filed during the Financial Year 2021-22	0
2	Number of complaints disposed of during the Financial Year 2021-22	0
3	Number of complaints pending as at the end of the Financial Year 2021-22	0

(viii) The Company and its subsidiaries have not given Loans and advances in the nature of loans to the firms/ companies in which directors are interested.

(ix) The Company has complied with the requirements pertaining to Corporate Governance specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

I) MEANS OF COMMUNICATION

(i) The quarterly results are regularly submitted to the Stock Exchanges and are published in leading business newspaper of the country 'Mint' and regional newspaper 'Hindustan' in compliance with the Listing Regulations.

(ii) The official news releases including the quarterly, half yearly and annual results and presentations are posted on the Company's website www.jubilantpharmova.com.

(iii) Various sections of the Company's website www.jubilantpharmova.com keep the investors updated on material developments of the Company by providing key and timely information like details of Directors, financial information, press releases, presentations, stock information, etc.

(iv) Regular communications are sent to the shareholders including e-mailing of quarterly results and press release just after release to the Stock Exchanges, e-mailing of Annual Reports and Corporate Sustainability Reports. Maintaining user friendly Investor Section on the website of the Company www.jubilantpharmova.com.

(v) Disclosures made to the Stock Exchanges are promptly uploaded on the website of the Company for information of the Investors.

(vi) Online feedback form is placed on the website of the Company to enable the shareholders to provide feedback about shareholder services.

(vii) The Company diligently works towards excellence in stakeholder communication. It believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.

(viii) A detailed docket on the financials and business highlights is released to the stock exchanges after the Board approves the results every quarter. The Company also hosts a quarterly conference call every quarter after the release of its financial results along with discussion on the performance of the businesses by its leadership team. This is followed by question and answer session such that whosoever has a question for the management can raise it in the forum. During the Financial Year 2021-22, we conducted 4 post results conference calls, wherein over 100 participants from leading brokerage houses, foreign and domestic institutional investors, banks, insurance and portfolio management companies and rating agencies, besides media and others logged into the conference each time to listen to the management's discussion and analysis. Transcripts of the conference calls are also made available on the Company's website and to Stock Exchanges. The Company, as a process, disseminates material information on specific business updates through press releases, as appropriate. The Company has also started posting proceedings of audio transcript of the Earnings Conference Call effective from April 1, 2022.

(ix) A dedicated e-mail address viz. investors@jubl.com for interacting on various matters with respect to share transfer, transmission, dividends and other related issues with the Company Secretary and Compliance Officer.

J) GENERAL SHAREHOLDER INFORMATION

(i) Date, time and venue of 44th Annual General Meeting

Day	:	Monday
Date	:	September 26, 2022
Time	:	11:00 a.m.
Place	:	Audio-Visual means

(ii) Financial Year and Financial Calendar

The Company observes April 1 to March 31 as its Financial Year. The Financial Calendar for the year 2022-23 is as follows:

Item	Tentative Dates*
First Quarter Results	Tuesday, August 2, 2022
Second Quarter Results	Friday, October 21, 2022
Third Quarter Results	Friday, February 3, 2023
Audited Annual Results for the year	Friday, May 19, 2023

*As approved by the Board. These dates are subject to change.

(iii) Dividend Payment Dates

As per the Notice convening the 44^{th} Annual General Meeting. The Dividend, if declared, will be paid within 30 days from the date of the Annual General Meeting.

(iv) Listing

The names of the Stock Exchanges at which the securities of the Company are listed and the respective stock codes are as under:

Sr. No.	Name and Address of the Stock Exchange	Security Listed	Stock Code
1.	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	Equity Shares	530019
2.	**National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	Equity Shares	JUBLPHARMA

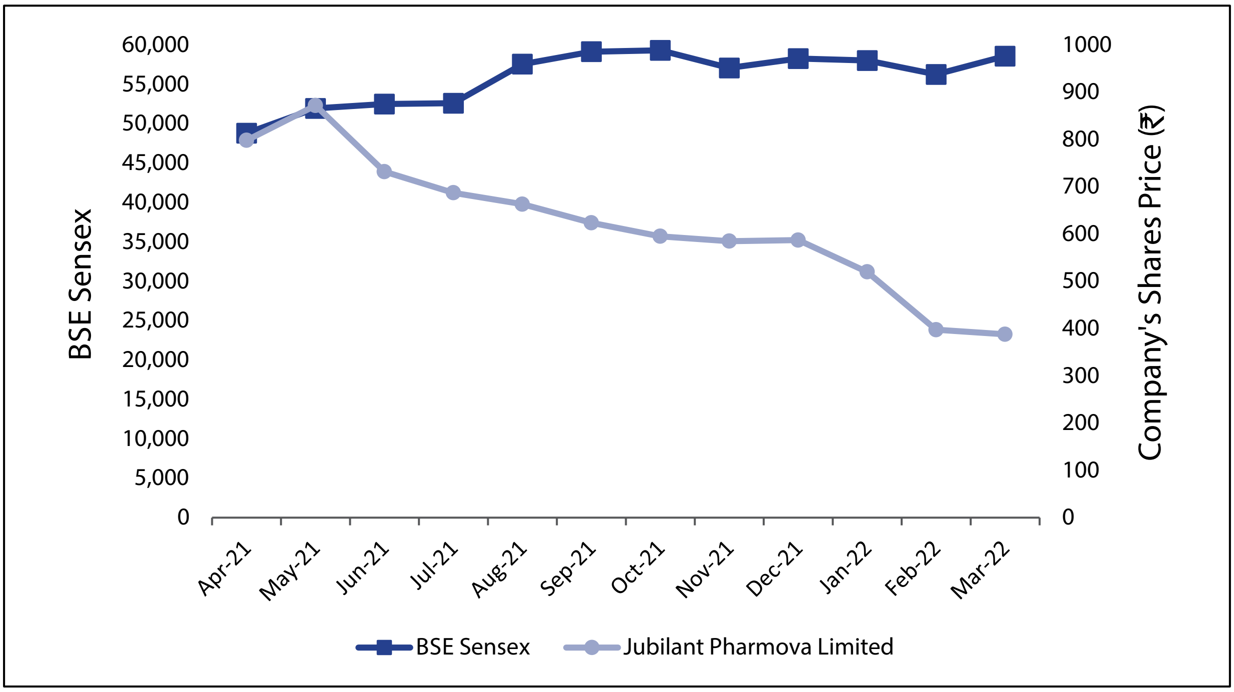
(v) Market Information

Monthly high/ low of the market price of the Company's Equity Shares (of ₹1 each) traded on the Stock Exchanges during the Financial year 2021-22 is given hereunder:

(Amount in ₹)

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
Apr-21	834.75	685.25	834.00	681.80
May-21	925.00	784.00	925.00	783.05
Jun-21	884.90	711.95	880.00	711.00
Jul-21	766.85	660.00	767.00	659.05
Aug-21	697.80	584.95	695.00	585.05
Sep-21	690.00	596.00	677.85	596.05
Oct-21	655.15	585.25	655.50	585.05
Nov-21	625.70	580.30	626.00	580.30
Dec-21	617.00	556.00	614.35	557.00
Jan-22	595.00	516.05	594.90	516.05
Feb-22	555.00	389.90	537.40	391.55
Mar-22	461.85	384.85	462.00	385.15

(vi) Performance of the Company's Equity Shares vis-a-vis BSE Sensex during Financial Year 2021-22



The above graph is based on the monthly closing prices of equity shares of the Company on BSE and monthly closing BSE Sensex.

(vii) Growth in Equity Capital

Year	Particulars	Increase in Number of Shares	Cumulative Number of Shares	Face Value (₹)/Per Share
1978	Issue of Shares to initial subscribers	1,200	1,200	10
1981	Issued to Indian promoters	608,370	609,570	10
1981	Issued to Foreign collaborators	655,430	1,265,000	10
1981	Issued to Public through public issue	2,200,000	3,465,000	10
1982-1983	Rights Issue 1:5	693,000	4,158,000	10
1984-1985	Forfeited on account of non-payment of allotment money	(3,200)	4,154,800	10
1986-1987	Conversion of loan into Equity Shares	1,006,180	5,160,980	10
1995-1996	Issued to shareholders of Ramganga Fertilizers Limited upon merger with the Company	256,522	5,417,502	10
1999-2000	Issued to shareholders of Anichem India Limited and Enpro Speciality Chemicals Limited upon merger with the Company	839,897	6,257,399	10
2001-2002	Conversion of 1,500,000 Warrants issued to promoters on preferential basis	1,500,000	7,757,399	10
2002-2003	Sub-division of shares from ₹10 to ₹5	7,757,399	15,514,798	5
2002-2003	Cancellation of shares as per Scheme of Amalgamation of the Company with Vam Leasing Limited and Vam Investments Limited	(851,234)	14,663,564	5
2003-2004	Issue of Bonus Shares in the ratio of 3:5	8,798,139	23,461,703	5
2004-2005	Issued to foreign investors on preferential basis	2,424,273	25,885,976	5
2004-2005	Part conversion of FCCBs	27,379	25,913,355	5
2005-2006	Part conversion of FCCBs	1,448,348	27,361,703	5
2005-2006	Issued to foreign investors on preferential basis	990,000	28,351,703	5
2005-2006	Sub-division of shares from ₹5 to ₹1	113,406,812	141,758,515	1
2005-2006	Part conversion of FCCBs	684,480	142,442,995	1
2006-2007	Part conversion of FCCBs	999,339	143,442,334	1
2006-2007	Issue of shares upon exercise of Options under Jubilant Employees Stock Option Plan, 2005	3,000	143,445,334	1
2007-2008	Part conversion of FCCBs	2,675,375	146,120,709	1
2007-2008	Issue of shares upon exercise of Options under Jubilant Employees Stock Option Plan, 2005	65,205	146,185,914	1
2008-2009	Issue of shares upon exercise of Options under Jubilant Employees Stock Option Plan, 2005	46,630	146,232,544	1
2008-2009	Part conversion of FCCBs	1,309,714	147,542,258	1
2009-2010	Issue of Shares to Qualified Institutional Buyers	11,237,517	158,779,775	1
2010-2011	Issue of Shares under Scheme of Amalgamation & Demerger with Jubilant Industries Limited and Others	501,364	159,281,139	1

Note: Pursuant to the Composite Scheme of Arrangement between the Company, JVL and others, the Company had issued and cancelled equivalent number of shares i.e. 6,29,43,636 equity shares of ₹1 each to the equity shareholders of the Transferor Companies in two stages, during the Financial Year 2020-21. Therefore, there was no change in the paid up share capital of the Company on account of allotment of the equity shares.

(viii) Appreciation in Share Price

A person who invested ₹1 lac in the Company in April, 2001 has holdings worth approximately ₹219 lac now as computed below:

Date	Action	No. of Resultant Shares of JPM	Face Value of JPM Shares (₹)	No. of Resultant Shares of JIL/ JVL	Face Value of JIL / JVL Shares (₹)
April 2, 2001	Purchased shares @ ₹62.90 per share (BSE Opening Price)	1,589.83	10	NA	NA
November 21, 2002	Sub-division of shares from ₹10 to ₹5	3,179.65	5	NA	NA
March 18, 2004	Issue of Bonus Shares 3:5	5,087.44	5	NA	NA
March 24, 2006	Sub-division of shares from ₹5 to ₹1	25,437.20	1	NA	NA
November 26, 2010	Issue of Shares by JIL pursuant to Demerger	–	–	1,271.86	10
February 15, 2021	Issue of Shares by JVL pursuant to Demerger	–	–	25,437.20	1

Market Value of 25,437.20 Equity Shares of JPM as at the end of Financial Year 2021-22 @ ₹388.15 per share was ₹9,873,449, Market Value of 1,271.86 Equity Shares of JIL as at the end of Financial Year 2021-22 @ ₹467.15 per share was ₹594,149 and Market Value of 25,437.20 Equity Shares of JVL as at the end of Financial Year 2021-22 @ ₹449.85 per share was ₹11,442,924 resulting in an aggregate of ₹21,910,522. Thus, the shareholder has multiplied his wealth over 219 times in 21 years, implying a Compounded Annual Growth Rate of approximately 29%. In addition, the shareholder also got attractive dividends.

(Note: JPM means Jubilant Pharmova Limited, JIL means Jubilant Industries Limited and JVL means Jubilant Ingrevia Limited)

(ix) Compliance Officer

Mr. Rajiv Shah, Company Secretary, is the Compliance Officer. He can be contacted for any investor related matter relating to the Company. His contact no. is +91-120-4361000; Fax no. +91-120-4234895 and e-mail ID is investors@jubl.com.

(x) Registrar and Transfer Agent

For securities related matters, investors are requested to correspond with the Company's Registrar and Transfer Agents - Alankit Assignments Limited quoting their Folio No. / DP ID & Client ID at the following address:

Mr. Vijay Pratap Singh, Alankit Assignments Limited (Unit: Jubilant Pharmova Limited), 205-208 Anar Kali Complex, Jhandewalan Extension, New Delhi-110055; Tel: +91-11-42541234; E-mail: vijayps1@alankit.com, rta@alankit.com.

(xi) Share Transfer System

Trading in equity shares of the Company is permitted only in dematerialised form. The dematerialised shares are directly transferred by the depositories to the beneficiaries. Members holding shares in physical form are, therefore, advised to convert their shares in dematerialised form.

(xii) Shareholder Satisfaction Survey

The Company offers the facility of online survey to assess the shareholders' satisfaction level for investor services rendered by the Company. The shareholders can submit their feedback for investor services on the parameters by accessing the web-link: https://www.jubilantpharmova.com/investors/investor-feedback-form

(xiii) Distribution of Shareholding as on March 31, 2022

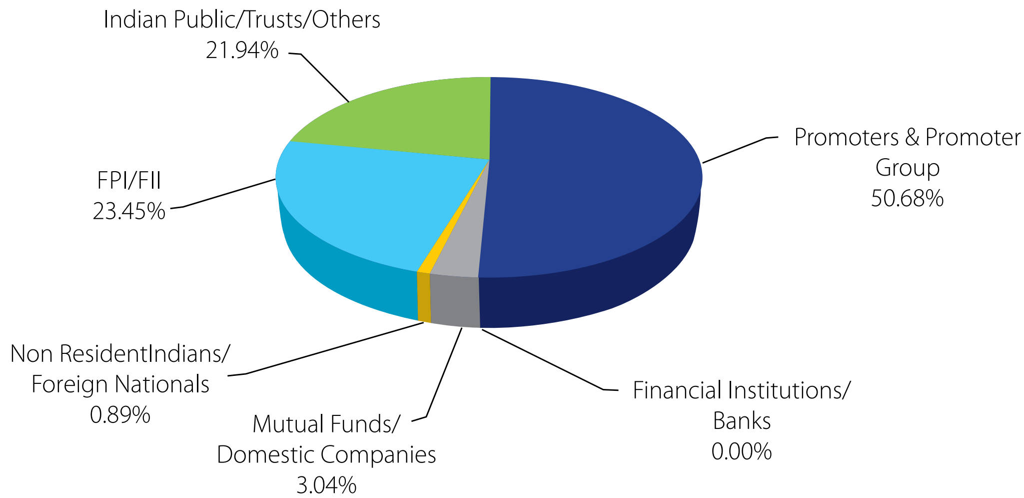
(a) Value wise

Shareholding of Nominal Value in (₹)	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
Upto 5,000	107,465	99.45	16,077,565	10.09
5,001 to 10,000	259	0.24	1,863,048	1.17
10,001 to 20,000	126	0.12	1,804,754	1.13
20,001 to 30,000	48	0.04	1,154,531	0.72
30,001 to 40,000	21	0.02	745,064	0.47
40,001 to 50,000	22	0.02	1,000,725	0.63
50,001 to 100,000	48	0.04	3,324,703	2.09
100,001 and above	74	0.07	133,310,749	83.70
Total	**108,063**	**100.00**	**159,281,139**	**100.00**

(b) Category wise

Sr. No.	Category	No. of Shares	Shareholding as a Percentage of Total Number of Shares
A	Promoters & Promoter Group	80,717,056	50.68
B	Public Shareholding:		
	1. Financial Institutions/ Banks	2,966	0.00
	2. Mutual Funds/ Domestic Companies	4,852,112	3.04
	3. Non Resident Indians/ Foreign Nationals	1,416,209	0.89
	4. FPI	37,347,555	23.45
	5. Indian Public/ Trusts/ Others	34,945,241	21.94
	Grand Total	**159,281,139**	**100.00**

Graphic depiction of the shareholding:



(xiv) Unclaimed Dividends

Dividends pertaining to the financial years upto and including 1993-94, remaining unpaid/ unclaimed, have been transferred to the General Revenue Account of the Central Government. Shareholders having valid claims of unpaid/ unclaimed dividend for any of these financial years may approach the Investor Education and Protection Fund Authority constituted by the Central Government.

Dividends pertaining to the Financial Years 1994-95 to 2013-14 remaining unpaid and shares pertaining to unpaid dividends upto the Financial Year 2013-14 have been transferred to the Investor Education and Protection Fund (the 'Fund').

In respect of unpaid/ unclaimed dividends for the Financial Year 2014-15 onwards, the shareholders are requested to write to the Registrar and Transfer Agent. Dividends remaining unclaimed for seven years from the date of transfer to the unpaid dividend account shall be transferred alongwith the underlying shares to the Fund.

Shareholders who have not encashed their warrants relating to the dividends mentioned below are requested to immediately approach the Registrar and Transfer Agent for claiming the dividend:

Financial Year	Date of Dividend Declaration	Due Date for Transfer to the Fund
2014-15	September 1, 2015	October 3, 2022
2015-16	August 30, 2016	October 1, 2023
2016-17	August 29, 2017	October 5, 2024
2017-18	September 26, 2018	November 1, 2025
2018-19	September 25, 2019	October 31, 2026
2019-20 (Interim Dividend)	February 27, 2020	April 3, 2027
2020-21	September 22, 2021	October 28, 2028

(xv) Compliance Certificate of Practicing Company Secretary

The Company has obtained a certificate from the Practicing Company Secretary, Mr. Tanuj Vohra, Partner, TVA & Co. LLP, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated in Schedule V(E) of the Listing Regulations. The Certificate is attached as Annexure-C.

(xvi)(a) Dematerialisation of Shares

The equity shares of the Company fall under the category of compulsory delivery in dematerialised mode by all categories of investors. The Company has signed agreements with NSDL and CDSL for dematerialisation connectivity. As on March 31, 2022, 158,679,063 Equity Shares of the Company (99.62% of the Paid-up capital) were in dematerialised form.

The break-up of Shareholding is as under:

S. No.	Particulars	No. of Shares
1	NSDL	149,762,730
2	CDSL	8,916,333
	Total – Demat	158,679,063
3	Physical	602,076
Grand Total		**159,281,139**

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE700A01033.

(b) Liquidity

The equity shares of the Company are frequently traded on the National Stock Exchange of India Limited as well as on BSE Limited and are in the category of Group A scrips on BSE Limited.

(xvii) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity

(a) As on March 31, 2022, no FCCBs / GDRs / ADRs / Warrants or convertible instruments were outstanding.

(b) Paid-up Share Capital

The Paid-up Share Capital as on March 31, 2022 stands at ₹159,281,139 comprising 159,281,139 equity shares of ₹1 each. There was no change in the issued and paid-up share capital during the year.

(xviii) Location of the Manufacturing Facilities

Manufacturing facilities of the Company have been transferred to JVL in Financial Year 2020-21 pursuant to demerger of the Life Science Ingredients business of the Company into JVL.

(xix) Address for Correspondence

Jubilant Pharmova Limited
1A, Sector 16A
Noida - 201 301, Uttar Pradesh
Tel: +91-120-4361000
Fax: +91-120-4234895
E-mail: investors@jubl.com
Website: www.jubilantpharmova.com

(xx) Corporate Identification Number (CIN)

L24116UP1978PLC004624

(xxi) Details of Credit Ratings obtained by the Company alongwith revisions thereof during the year are mentioned below:

Sr. No.	Facility/ Instrument	Amount in ₹ Crore	Rating Agency	Rating	Outlook	Remarks
1	Bank Loan	1,247.50	India Ratings & Research	IND AA+/ IND A1+	Stable	Long Term Rating has been upgraded to IND AA+/Stable, Short term rating has been affirmed at A1+ and both rating has simultaneously been withdrawn vide Rating Rationale dated May 26, 2021.
2	Bank Loan Facilities (Long Term)	510.00	CRISIL Ratings Limited	CRISIL AA	Positive	Rating outlook has been changed to Positive from Rating watch with developing implications and has simultaneously been withdrawn vide letter dated May 6, 2021.
3	Non-Convertible Debentures	100.00	CRISIL Ratings Limited	CRISIL AA	Positive	Rating outlook has been changed to Positive from Rating watch with developing implications and has simultaneously been withdrawn vide letter dated May 6, 2021.
4	Commercial Paper	400.00	CRISIL Ratings Limited	CRISIL A1+	-	Rating has been withdrawn vide letter dated May 6, 2021.

(xxii) Equity Shares in Suspense Account

Pursuant to Clause 5A of the erstwhile Listing Agreement (corresponding to Schedule VI to the Listing Regulations), shareholders holding shares in physical form and not having claimed share certificates were sent three reminder letters requesting them to claim their equity shares. In terms of the aforesaid clause, equity shares which remained unclaimed were transferred in the year 2012 to Jubilant Pharmova Limited-Unclaimed Suspense Account. Details required under Schedule V(F) of the Listing Regulations are given below:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2021	261	2,19,730
Number of shareholders who approached the Company for claiming shares from the Unclaimed Suspense Account during 2021-22	15*	8,655
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during 2021-22	15*	8,655
Number of shares transferred to Investors Education and Protection Fund (the 'Fund') during 2021-22	5	1,460
Aggregate number of shareholders and outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2022	241	209,615

*Excludes 1 shareholder who has lodged claim for part of his shareholding.

The voting rights on the shares lying in Jubilant Pharmova Limited-Unclaimed Suspense Account shall remain frozen till the rightful owners of such shares claim the shares.

K) COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE LISTING REGULATIONS

(a) Mandatory Requirements

The Company has complied with the mandatory requirements relating to Corporate Governance as prescribed in the Listing Regulations.

(b) Extent to which Non-Mandatory requirements have been adopted

The status of adoption of non-mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II to the Listing Regulations is given below:

1. The Board

– Non-Executive Chairman's Office

The Company has provided office facility to Chairman, who is Non-Executive Promoter Director.

2. Shareholders' Rights

Quarterly and year to date results along with press releases are sent to those shareholders whose e-mail addresses are available with the Company.

3. Modified opinion(s) in the audit reports

Audit Reports on the Financial Statements of the Company do not contain any modified opinion.

4. Reporting of Internal Auditors

Internal Auditors report to the Audit Committee.

(c) CEO/CFO Certification

In compliance with Regulation 17(8) read with Schedule II (B) of the Listing Regulations, a declaration by CEO i.e. the Co-Chairman & Managing Director and Chief Financial Officer, is enclosed as Annexure-D which, inter alia, certifies to the Board about accuracy of the financial statements and adequacy of internal controls for the financial reporting purpose.

For and on behalf of the Board

Shyam S. Bhartia
Chairman
(DIN: 00010484)

Hari S. Bhartia
Co-Chairman & Managing Director
(DIN: 00010499)

Place: Noida
Date: May 27, 2022

Annexure A

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 of
Jubilant Pharmova Limited
CIN: L24116UP1978PLC004624
Bhartiagram, Gajraula
District Amroha - 244223
Uttar Pradesh, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Jubilant Pharmova Limited (CIN: L24116UP1978PLC004624) having registered office at Bhartiagram, Gajraula, District Amroha - 244223, Uttar Pradesh, India (hereinafter referred to as 'the Company') and 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 furnished to us by the Company and its officers and the representations made by the management, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Director of the company 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
1	Mr. Shyam S. Bhartia	00010484	21/06/1978
2	Mr. Hari S. Bhartia	00010499	01/11/1983
3	Mr. S. Sridhar	00004272	15/06/2013
4	Ms. Sudha Pillai	02263950	03/09/2013
5	Dr. Ashok Misra	00006051	15/09/2014
6	Mr. Sushil Kumar Roongta	00309302	23/05/2017
7	Mr. Vivek Mehra	00101328	23/05/2017
8	Mr. Priyavrat Bhartia	00020603	23/05/2017
9	Mr. Arjun Shanker Bhartia	03019690	23/05/2017
10	Mr. Arun Seth	00204434	22/10/2018
11	Mr. Pramod Yadav	05264757	05/02/2021
12	Mr. Arvind Chokhany	06668147	01/04/2021

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility for 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 TVA & Co. LLP
Company Secretaries

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253
UDIN: F005621D000409486
RP L2015UP000900

Date: May 27, 2022
Place: Delhi

Annexure B

To Whomsoever It May Concern

This is to confirm that all the Board members and senior management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the year ended March 31, 2022.

For **Jubilant Pharmova Limited**

Place: Noida
Date: May 27, 2022

Hari S. Bhartia
Co-Chairman & Managing Director

Annexure C

Certificate By Practicing Company Secretary on Compliance with the Conditions of Corporate Governance as per Schedule V(E) of the Listing Regulations

To,
The Members of
Jubilant Pharmova Limited
CIN: L24116UP1978PLC004624
Bhartiagram, Gajraula
District Amroha – 244223,
Uttar Pradesh, India

1. We have examined the compliance of the conditions of Corporate Governance by Jubilant Pharmova Limited (the 'Company') for the Financial Year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) 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 Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementations 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.
3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For TVA & Co. LLP
Company Secretaries

Date: May 27, 2022
Place: Delhi

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253
UDIN: F005621D000409541
RP L2015UP000900

Annexure D

Certificate of CEO - CFO

This is to certify that:

A. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:

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

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

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

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

D. We have indicated to the auditors and the Audit Committee:

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

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

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

For **Jubilant Pharmova Limited**

Date: May 27, 2022

Arun Kumar Sharma
Head - Group Treasury & Chief Financial Officer

Hari S. Bhartia
Co-Chairman & Managing Director

Business Responsibility Report

The Directors are pleased to present the Business Responsibility ('BR') Report of Jubilant Pharmova Limited ('Company' or 'Jubilant') for the Financial Year ended March 31, 2022. The Company also publishes annually, a comprehensive Sustainability Report following GRI (Global Reporting Initiative) Sustainability Reporting Standards.

The details on the aspects discussed in this Report are available in the Company's Sustainability Report for the Financial Year 2021-22. The Sustainability Report of the Company is available on the Company's website link www.jubilantpharmova.com/sustainability/sustainability-report.

Commitment to Sustainable and Inclusive Growth

Jubilant's continued focus on sustainability aims at improving stakeholders' value through optimum use of capital and natural resources. Our Promise of Caring, Sharing, Growing is the essence of our activities that are directed towards sustainable growth. Jubilant's approach to sustainable development focuses on the triple bottom line of Economic, Environment and Social performance. We are committed and working on various areas of energy conservation, climate change mitigation and water conservation measures. Our sustainability efforts are being reported through Corporate Sustainability Report since 2003 and the Report has been receiving GRI G3.1 A+ level and application level check since 2007 from GRI. Our Sustainability Report for the Financial Year 2020 onwards have been prepared following the latest GRI Standards in accordance with the 'Comprehensive' option and are being assured by Ernst & Young Associates LLP. We additionally received the Content Index Services Logo from GRI making our report more credible and transparent. The Sustainability Report of the Company for the Financial Year 2022 is prepared on similar lines. This reflects our commitment towards sustainable development and continued efforts directed towards protecting the environment wherever we operate.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L24116UP1978PLC004624
2.	Name of the Company	Jubilant Pharmova Limited
3.	Registered Address	Bhartiagram, Gajraula, District Amroha-244 223, Uttar Pradesh, India
4.	Website	www.jubilantpharmova.com
5.	E-mail Address	satish.kanagala@jubl.com
6.	Financial Year Reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	The Company's businesses and operations are carried out through subsidiaries. However, the income of the Company is mainly derived from the Management Services and Dividend.
8.	List three key products / services that the Company manufactures / provides (as in balance sheet)	(i) Pharmaceuticals, Proprietary Novel Drugs and Services (ii) Contract Research and Development (iii) Proprietary Novel Drugs and Services
9.	Total number of locations where business activity is undertaken by the Company	The Company's businesses and operations are carried out through subsidiaries and spread across the country and abroad.
	(a) Number of International Locations (Provide details of major 5)	12
	(b) Number of National Locations	4
10	Markets served by the Company - Local / State / National / International	The Company's businesses and operations are carried out through subsidiaries and products of subsidiaries have both national and international presence.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (in ₹)	159.28 million
2. Total Turnover (in ₹)	877.48 million
3. Total profit after taxes (in ₹)	785.03 million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	6.42% (CSR expenses of the Company for the Financial Year 2022 were ₹50.40 million)
5. List of activities in which expenditure in 4 above has been incurred:	**(a) Project Arogya & Swasthya Prahari -** Improving health indices through innovative services and promoting health seeking behavior. **(b) Project Muskaan -** Universalising elementary education and improving quality parameters for primary education through community involvement. **(c) Nayee Disha –** Enhancing employability through vocational training. **(d) Rural Development –** Local area development.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes, the Company had 35 Subsidiaries as on March 31, 2022.

2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, indicate the number of such subsidiary company(s).

Business Responsibility Report also includes sustainability performance of key subsidiaries subsidiaries of the Company which have a significant impact on the sustainability performance of the organisation. The key subsidiary companies covered in the report are as follows:

1. Jubilant Pharma Limited, Singapore
2. Jubilant HollisterStier LLC, Spokane, USA
3. Jubilant DraxImage Inc., Montreal, Canada
4. Jubilant Cadista Pharmaceuticals Inc., Salisbury, USA
5. Jubilant Generics Limited, India
6. Jubilant Biosys Limited, India

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Jubilant does engage with all its key stakeholders (e.g. suppliers, employees, investors, community, etc.) and take note of their concerns while designing its business strategy. The Company also communicates its business responsibility policies and approaches the concerned stakeholders from time to time. For example, holding meeting with suppliers, publication of Annual Sustainability Report, participate in customer's CSR assessment, etc. Our Sustainability Policy is an example of engaging our suppliers in Jubilant's business responsibility journey. The percentage of such stakeholders is < 30%.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/ policies

The Board of Directors has assigned implementation of the BR Policies to the Sustainability & CSR Committee of the Board of Directors. The Sustainability & CSR Committee comprises of the following members:

Name of the Member(s)	DIN	Designation
Dr. Ashok Misra	00006051	Chairman
Mr. Shyam S. Bhartia	00010484	Member
Mr. Hari S. Bhartia	00010499	Member
Ms. Sudha Pillai	02263950	Member
Mr. S. Sridhar	00004272	Member
Mr. Sushil Kumar Roongta	00309302	Member
Mr. Priyavrat Bhartia	00020603	Member
Mr. Arjun Shanker Bhartia	03019690	Member
Mr. Pramod Yadav	05264757	Member
Mr. Arvind Chokhany	06668147	Member

(b) Details of the BR Head

Name	Mr. KVS Satish Kumar
Designation	Chief Sustainability Officer
Director Identification Number	NA
Phone Number	+91-120-4361000
Email ID	satish.kanagala@jubl.com

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Principle 1: (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2: (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3: (P3)	Businesses should promote the well-being of all employees
Principle 4: (P4)	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5: (P5)	Businesses should respect and promote human rights
Principle 6: (P6)	Businesses should respect, protect and make efforts to restore the environment
Principle 7: (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8: (P8)	Businesses should support inclusive growth and equitable development
Principle 9: (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(b) Details of compliance (Reply in Y/N)

	Principle-wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	**Do you have a policy/ policies for:**	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	**Has the policy been formulated in consultation with the relevant stakeholders?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The relevant policies have evolved over a period of time by taking inputs from the concerned internal stakeholders. The Company engages with the key external stakeholders on a regular basis and their concerns are noted and discussed internally which help in shaping our policies.								
3	**Does the policy conform to any national / international standards? If yes, specify? (50 words)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All applicable national and international laws as well as international conventions are captured in the policies articulated by the Company. In addition, they reflect the purpose and intent of the United Nations Global Compact (UNGC) principles and Sustainable Development Goals (SDGs), GRI standards and international standards such as ISO 14001, ISO 9001, ISO 45001 and others.								
4	**Has the policy been approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are approved by the Board/Competent Authority to which the requisite authority has been delegated by the Board.								
5	**Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company has set-up various Committees of the Board of Directors and of Senior Executives to oversee implementation of these policies. Sustainability & CSR Committee is one such committee of the Board of Directors which reviews Sustainability and CSR performance of the Company on a half-yearly basis.								
6	**Indicate the link for the policy to be viewed online?**	All employee related policies are uploaded on the intranet portal of the Company for communication and implementation. Other policies are uploaded on the Company's website www.jubilantpharmova.com.								

Principle-wise Policies		P1	P2	P3	P4	P5	P6	P7	P8	P9
7	**Has the policy been formally communicated to all relevant internal and external stakeholders?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Policies are communicated to the relevant stakeholders through Company website, meetings, emails, annual report, etc.								
8	**Does the Company have in-house structure to implement the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	**Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	**Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?**	Y	Y	Y	Y	Y	Y	Y	Y	Y

List of Existing Policies

Following are the key policies which provide broad guidelines for smooth and transparent functioning of the Board	Approved by	On-line view, if any
Code of Conduct for Directors and Senior Management	Board	www.jubilantpharmova.com
Code of Conduct for Prevention of Insider Trading	Board	Intranet portal of the Company
Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions	Board	www.jubilantpharmova.com
Corporate Social Responsibility Policy	Board	www.jubilantpharmova.com
Policy for Determination of Materiality of Events and Information	Board	www.jubilantpharmova.com
Policy on Board Diversity	Board	www.jubilantpharmova.com
Succession Plan for Board Members and Senior Management	Board	-
Performance Evaluation Policy	Board	-
Appointment and Remuneration Policy	Board	www.jubilantpharmova.com
Whistle Blower Policy	Board	www.jubilantpharmova.com
Policy for Determining Material Subsidiaries	Board	www.jubilantpharmova.com
Archival Policy	Board	www.jubilantpharmova.com
Policy for Preservation of Documents	Board	www.jubilantpharmova.com
Dividend Distribution Policy	Board	www.jubilantpharmova.com
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('UPSI')	Board	www.jubilantpharmova.com
Policy and Procedure for inquiry in case of leak or suspected leak of UPSI	Board	Intranet portal of the Company
Code of Conduct for Employees	Board	www.jubilantpharmova.com
Policy for Prevention of Sexual Harassment	Board	Intranet portal of the Company
Risk Management Policy	Board	-

Other policies adopted by the Company for ensuring effective governance in regular operations	Approved by	On-line view
Sustainability Policy	Chairman and Co-Chairman & Managing Director	www.jubilantpharmova.com
Climate Change Mitigation and Energy Conservation Policy	Chairman and Co-Chairman & Managing Director	www.jubilantpharmova.com
Environment, Health and Safety Policy	Chairman and Co-Chairman & Managing Director	www.jubilantpharmova.com

3. **Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

There are several committees of the Board of Directors and of Senior Executives which meet at regular frequency to review the BR performance of the Company. Sustainability & CSR Committee of the Board reviews the Sustainability and CSR performance of the Company on a half-yearly basis. This Committee comprises of Executive, Non-Executive and Independent Directors.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company is publishing its Sustainability Report annually following the GRI standards since the Financial Year 2003. Every year, the Report is assured by a third party. Sustainability Report for the Financial Year 2020 onwards have been prepared following the GRI Standards in accordance with the 'Comprehensive' option and have been assured by Ernst & Young Associates LLP. The Report for the Financial Year 2022 is published on similar lines along with the Annual Report of the Company for the Financial Year 2022. Sustainability Reports of the Company are available on the Company's website at the following link: www.jubilantpharmova.com/sustainability/sustainability-report

Business Responsibility Report Index on Social, Environmental and Economic Issues

BRR Principle		Section in BR Report	Page	Details in Company's Sustainability Report
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Corporate Governance - Ethics, Transparency & Accountability	117	√
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Sustainability of Products and Services across Life-Cycle	117	√
P3	Businesses should promote the well-being of all employees	Employee well being	118	√
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	Stakeholder Prioritisation and Engagement	120	√
P5	Businesses should respect and promote human rights	Promote Human Rights	121	√
P6	Businesses should respect, protect and make efforts to restore the environment	Respect, Protect and Restore the Environment	122	√
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Public Policy Advocacy	123	√
P8	Businesses should support inclusive growth and equitable development	Corporate Social Responsibility	123	√
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	Customer Satisfaction	124	√

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Corporate Governance - Ethics, Transparency & Accountability:

Composition of the Board: The Board of Directors (the 'Board') is the apex and highest governing body in Jubilant Pharmova Limited. The Board along with its Committees provides leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures. The Board's objective is to create sustainable value for all stakeholders, provide vision to the Company and oversee implementation of the Board's decisions.

The Company is led by a team of eminent professionals who inspire, lead and contribute to the growth of the Company. The Board of Directors of the Company has a judicial mix of Executive, Non-Executive, Independent and Non-Independent Directors. As on March 31, 2022, the Board comprised 2 Executive Directors and 10 Non-Executive Directors. The Board had 6 Independent Directors including 1 Woman Director. All members of the Board are well experienced and bring expertise in the fields of Pharmaceuticals, Chemical Engineering, Banking, Accounts, Taxation, Administration, etc. to the table.

The Independent Directors are not associated with the Company in any executive capacity. The Independent Directors, by furnishing a Certificate of Independence to the Board, affirm their independence on an annual basis.

Senior Leadership Team: Co-Chairman and Managing Director ('CCMD') is the highest Executive Officer of the Company. He belongs to the promoter group and along with the Chairman, has led the Company to its present growth and success. The Chief Executive Officers ('CEOs') of various businesses of the Company are responsible for smooth functioning of their respective businesses. This also includes development of business strategies keeping in view the interests of all the stakeholders. The business strategies and plans are reviewed during the Annual Strategy Meet by the Chairman, CCMD, Group Chief Financial Officer and Whole-time Director, Chief Financial Officer and CEOs.

Board Committees for effective governance: To focus effectively on the issues and to ensure expedient resolution of diverse matters, the Board has constituted several Committees with clearly defined terms of reference and scope. The Committee members are appointed by the Board with the consent of the individual Directors. Committees of the Board are:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Sustainability & CSR Committee
- Risk Management Committee
- Reorganisatoin Committee
- Capital Issue Committee
- Finance Committee
- Fund Raising Committee

Codes and Policies: The Company has a detailed framework of codes and policies framed by the Board in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'). Codes and policies which provide broad guidelines for smooth and transparent functioning of the Board and the Company are mentioned above in Section D (2) (b).

At Jubilant, good governance is a tradition and a way of life and 'Our Promise' and 'Our Vision' set the overall direction for corporate governance of the Company. The Vision, Values and Promise statements of the Company are adopted by the businesses and all other functions of the Company. In addition to the above mentioned policies framed by the Board, there are several other policies adopted by the Company for ensuring effective corporate governance in regular operations. These include:

- Sustainability Policy
- Climate Change Mitigation and Energy Conservation Policy
- Environment, Health and Safety Policy

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Sustainability of Products and Services across Life-Cycle

Jubilant Pharmova Limited is a company engaged in Pharmaceuticals, Contract Research and Development Services and Proprietary Novel Drugs businesses. Pharmaceuticals business through Jubilant Pharma Limited, Singapore (JPL) is engaged in manufacturing and supply of Radiopharmaceuticals with a network of 48 radio-pharmacies in the US, Allergy Immunotherapy, Contract Manufacturing of Sterile Injectables and Non-sterile products, Solid Dosage Formulations and APIs through six manufacturing facilities that cater to all the regulated markets including the US, Europe and other geographies. Jubilant Biosys Limited provides contract research and development services through two world class research centers in Bangalore and Noida in India. Jubilant Therapeutics is involved in Proprietary Novel Drugs business and is an innovative biopharmaceutical company developing breakthrough therapies in the areas of oncology and auto-immune disorders. Jubilant Pharmova Limited has a team of over 6,000 multicultural people across the globe. The Company is well recognised as a 'Partner of Choice' by leading pharmaceuticals companies globally.

Jubilant's progress in diverse businesses has been made possible through the contribution of R&D which is focused on products development and cost reduction through process innovation. Innovation at Jubilant is backed by strong chemistry, bio science expertise and the knowledge bank created over the years. We have harnessed our strengths - a strong R&D team, modern R&D facilities, command over cost effective technologies and economies of scale into a synergistic organic entity, continuously creating and nurturing high quality products and technologies.

Material in Use

Our progress towards the sustainability goals was encouraging. We reduced consumption of specific energy by 37.7%, specific water consumption by 18.3% and Greenhouse Gas (GHG) emissions by 48.4% with respect to the baselines of FY 2019. For further details on resource use, please refer to the Sustainability Report of the Company.

Energy Consumption and Conservation

Jubilant is focused on improving energy efficiency. The Company implemented 11 energy saving projects in the reporting year that have directly contributed towards reduction of approximately 6.5 Terajoules (TJ) of energy consumption. This is equivalent to 898 Tonne CO_2, resulting in total savings of ₹24.8 million.

Water and Waste Water Management

Jubilant is continuously monitoring, reviewing and optimising water consumption through process modifications and adoption of new technologies.

The Company strives to recycle usable water from the effluents after treatment in order to reduce fresh water consumption. Our North American manufacturing facilities discharges its treated effluent to external Common Effluent Treatment Plant (CETP) for further treatment. Final discharge is in line with the quality and quantity prescribed as per the authorisations granted by the respective local regulatory authorities.

Please refer the Sustainability Report of the Company for details of water and waste water performance.

Waste Management

The Company adopted the 3R approach for waste minimisation. The Company follows the methods mentioned below for proper disposal of the hazardous waste generated at its facilities, depending on their nature and local regulations:

- Recycle and Reuse through authorised third party
- Co-processing at cement kiln
- Secured land fill
- Incineration (both solid and liquid)

At the Company, non-hazardous wastes are either recycled or reused by the third parties. Metal scrap, plastic scrap, paper and wooden material scraps are a few major contributors of non-hazardous waste.

Further, the Company is highly committed about minimising plastic waste and avoiding littering. The Company believes in supporting circular consumption patterns of reusing, restoring and repairing rather than buying new products; e.g. some materials are received in drums and carboys, which are reused wherever feasible.

Sustainable Supply Chain

The principal goal of Supply Chain Management (SCM) function at Jubilant is to provide a substantial and sustainable value contribution for the success of our businesses. The guiding principles for our supply chain have been set under our Sustainability policy. All suppliers have been communicated about Supplier Code of Conduct of the Company which mandates ethical business conduct. The same has been also uploaded on our Company's website.

Annual supplier audits are conducted internally to cover critical vendors. Supplier quality audits include performance assessment against parameters such as environment, labour practice, human rights and social impact. The Company is in the process of revising the sustainability evaluation of the critical suppliers.

During the previous year, approximately 46% of the suppliers were assessed for their sustainability performance through self-assessment questionnaire (SAQ). Due to COVID-19 pandemic, no critical supplier's sustainability performance evaluation was conducted. However from the Financial Year 2023, the Company has again started supplier sustainability performance evaluation and the same would be reported next year.

Principle 3: Businesses should promote the well-being of all employees

Employee Well-Being

We primarily manufacture healthcare products and it is our commitment to continue to enhance value of our customers by providing innovative products and economically efficient solutions while providing the safest and healthiest workplace for our employees. Our workforce is the most important asset and greatly contributes to our success. We ensure our Occupational Health and Safety (OHS) standards are bench-marked with global best practices and standards at all locations.

Employee Benefits

Our benefits apply to employees globally at every level of the organisation. Due to local laws and regulations, some benefits vary by location.

Long term employee benefits include Pension, Provident Fund, Superannuation and Gratuity. These constitute the key elements of employee's post-retirement benefits in India. All permanent employees across India sites are covered under retirement plans and schemes according to the local regulations. International subsidiaries of the Company make contribution to various social security plans and insurance schemes as per local requirements and generally accepted practices in their respective country of incorporation.

For India operations, our benefit schemes include disability and invalidity coverage as per the Employee Compensation Act, Group Mediclaim insurance for employees and their dependents and parental leaves. In all our North American operations, parental leaves are a voluntary action under the Family and Medical Leave Act and all employees are entitled to this. All female employees in India are eligible to avail maternity leaves during and post pregnancy as per the Maternity Benefit Act of India.

Head Count and Break-up

Records of all permanent employee are maintained in our PeopleSoft database in HRIS system. Details of category-wise head count, attrition and new joinees of the Company are available in the Sustainability Report of the Company. API (Active Pharmaceutical Ingredients) facility under a subsidiary of the Company in India employed one differently abled person as on March 31, 2022.

Region wise Employee head count

Region	Number of Permanent Employees(P)			Number of Contractual Employees (C)			Overall
	Executives	Workmen	Total (P)	Temp & Labour Supply	Job Contracts/ Projects	Total (C)	(P+C)
India	3,090	537	3,627	245	1,828	2,073	5,700
North America	948	1,249	2,197	87	0	87	2,284
Singapore	1	0	1	0	0	0	1
Total*	4,039	1,786	5,825	332	1,828	2,160	7,985

** Includes JPL, JDDS and select marketing office*

Employee Association

The Company engages in open and continuous dialogue with the employee associations at its manufacturing facilities. At Nanjangud facility in India, 203 employees are covered by collective bargaining agreements with trade unions and worker committee. At Kirkland facility in Canada, 158 employees were covered by Trade Unions/ Collective Bargaining Agreements as on March 31, 2022.

There are no operations where the right to exercise freedom of association and collective bargaining are at significant risk.

Safety and Skill Upgradation Training

Our training and development initiatives offer training to employees around the globe. It helps our employees develop personal skills, to think strategically, support managers in team development, assist those in charge of key operations and to improve procedures and processes. Training needs are rigorously identified and delivered through internal and external workshops as well as web based modules. This is included in the Company's training calendar and courses are designed to help employees perform their roles at their highest potential. This also helps us systematically improve the quality of our workforce.

Senior management employees at critical positions are also nominated for customised general management programs at premier institutes to prepare them for larger roles and also build cross-functional capability in the organisation. We have robust training management system 'Compliance Wire' which comprises an extensive collection of training and learning resources and can be accessed by all employees through the online portal.

Employee Training hours

Manufacturing Location	Executive	Workmen	Total	T. Hours	Man-days	Avg. man-days per head per annum
R&D	262	0	262	6,300	787	3.0
Roorkee	393	333	726	69,648	8,706	12.0
Nanjangud	744	204	948	55,999	7,000	7.4
Jubilant Cadista	116	237	353	12,049	1,506	4.3
Jubilant Hollisterstier	312	416	728	1,03,193	12,899	17.7
Draximage & Montreal CMO	282	157	439	25,235	3,154	7.2
Triad Isotopes	192	439	631	10,037	1,255	2.0
Biosys Noida	915	0	915	22,297	2,787	3.0
Biosys Bangalore	376	0	376	5,386	673	1.8
Grand Total	3,592	1,786	5,378	3,10,144	38,786	7.2

Please refer the Sustainability Report of the Company for further details of training imparted to the employees.

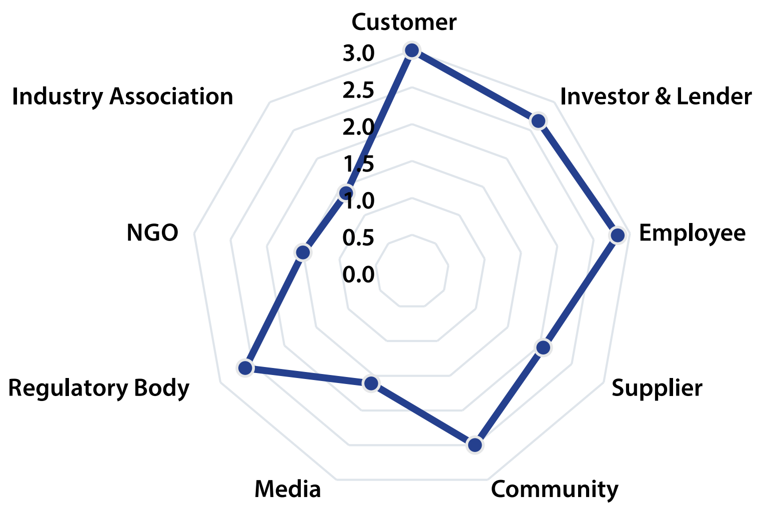
Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

Stakeholder Prioritisation and Engagement

The Company is continually working towards making stakeholder engagements framework more focused and structured year on year to identify challenges material for long term sustainable business of the Company. The stakeholder engagement framework is based upon established long-term relationships with key stakeholders such as investors, shareholders, customers, suppliers, vendors, employees, local communities and regulatory bodies.

The material challenges are identified, prioritised and integrated within the overall business strategy to make business sustainable in the long run. From FY 2015, we started stakeholder prioritisation and materiality assessment involving top management, who continuously engages with different stakeholders at different intervals. List of key stakeholders, modes of engagement and a list of key topics raised through these engagements are given in the Sustainability Report.

Stakeholder Prioritization:



Stakeholder Engagement:

Stakeholder	Modes of engagement (frequency)	Needs/ Expectations of stakeholders
Customers	• Customer meets & exhibitions • Direct visits • Feedback calls • Online platform – Customer Relation Management (CRM)	• Sustainable business growth to create long term value • Timely receipt of financial reports (e.g. Annual Report) Consistent product quality and delivery
Investors and Shareholders	• Investors meet & calls, quarterly Investors conference calls with investors attended by Chairman, CCMD, Group CFO, CFO & CEO – Over 100 participants in each call. • Shareholders/Investors grievance forums, there is a dedicated team which takes care of Investor Relations. • Investors are provided with Annual Report, Quarterly Earnings Release and Sustainability Report • The Company website is updated regularly with relevant information • AGM with investors held in September 2021	• Sustainable business growth to create long term value • Timely receipt of dividends and shares • Timely receipt of financial reports (e.g. Annual Report)

Stakeholder	Modes of engagement (frequency)	Needs/ Expectations of stakeholders
Employees	• Town Hall meets • Skip level meets • Chairmen's award • New Joinees' meet • Online forum • 6 month stay interview • CEO videos • Exit interviews • Reward & Recognition	• Faster decision making • Talent pool • Collaboration • Job enrichment • Career growth • No discrimination • Work Life Balance
Suppliers and Vendors	• Time to time suppliers meeting • Vendor council, vendor meetings • Online forums, Supply Chain and contract manufacturer's site audits	• Timely payment
Regulatory bodies	• One to one meetings • Industry bodies and other related platforms	• Compliance related to EHS, TAX, labour practice
Community	• Regular meetings with community • Community interface meet • Suggestion box at gate	• Local employability • Environmental pollution • Health and hygiene • Vocational training • Water

The subsidiaries of the Company have operations in various locations across North America and India. The Company supports local culture and heritage of the respective regions. There have been no violations involving rights of indigenous people or those related to human rights in Jubilant during the reporting period.

Principle 5: Businesses should respect and promote human rights

Promote Human Rights

Jubilant recognises and promotes universal respect for and observance of human rights and fundamental freedom. At Jubilant, we are committed to our Sustainability Policy and are signatory to the United Nations Global Compact (UNGC). We have formulated policies and developed systems to ensure protection of Human Rights for all concerned; these principles are defined in the Code of Conduct. Jubilant's policies on Human Rights cover issues of Child Labour, Forced and Compulsory Labour, Non Discrimination, Bribery and Corruption. The Company has made the Code of Conduct available to all employees through Company website.

Highlighted below are a few Human Rights topics specified in the Company's Code of Conduct:

Free of Discrimination & Harassment:

Jubilant prohibits any form of discrimination or harassment on the basis of age, caste, sex, religion or any other ground. Our Code highlights a zero tolerance policy. No incidents involving sexual harassment were recorded during the reporting period. Equal remuneration is provided to the male and female members of the workforce for the similar set of work.

The prevailing law in North American manufacturing locations is very stringent and any form of gender discrimination is prohibited. During FY 2022, there was no case of discrimination reported.

Child Labour:

It is Code not to employ children as labour. In order to ensure this, in certain jurisdictions, every applicant is required to submit a proof of age. Further, the Company is committed to work in a proactive manner to eradicate child labour by actively contributing to the improvement of children's social situation. To promote this, the Company encourages its suppliers also to work towards a no child-labour policy.

There were no cases of child labour reported within the organisation or came to Company's notice involving its suppliers during FY 2022.

Forced and Compulsory Labour:

The Company respects the dignity of labour and denounces all forms of forced and compulsory labour. The Company therefore, ensures that the terms of employment are transparent and voluntary. The Company encourages its suppliers and service providers to adhere to a no forced and compulsory labour code.

No incident of forced or compulsory labour at the supplier's end came to Company's notice during this reporting period FY 2022.

The Company has well established Whistle-blower Policy and a dedicated Ombudsperson Office for addressing the grievances reported by the Directors and employees. During the financial year 2022, no case of discrimination was reported to the Ombudsperson Office. Also, no complaint of corruption or case of human rights violation was reported during the year.

Operational Responsibility and Ombudsperson:

Jubilant has a Whistle-Blower policy and an Ombudsperson addressing grievances in neutral and unbiased manner. A charter of the Ombudsperson has been prepared and made available on the Company intranet. This charter allows stakeholders, including employees, to voice their concerns and guide the Company to resolve challenges efficiently. To maintain the reporting and anonymity of the whistle-blower, the company has a dedicated portal and Ombudsperson email ID.

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

Respect, Protect and Restore the Environment

For a sustainable world, environmental protection is the need of the hour. Knowing that, Jubilant proactively works towards implementing initiatives to balance environmental and business needs of the Company and the community. The management has adopted and implemented international management systems and technologies to mitigate environmental challenges arising due to operations. The top management is committed towards environmental sustainability, considering which various policies have been adopted:

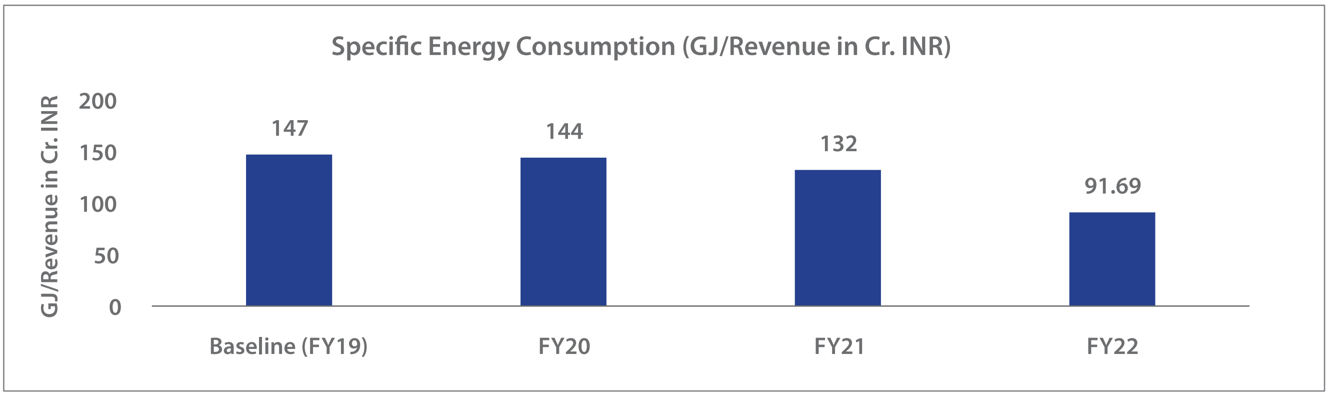
- Sustainability Policy
- Climate Change Mitigation and Energy Conservation Policy
- Environment, Health & Safety (EHS) Policy

The Company sets environmental targets to monitor its environmental performance on an ongoing basis. The performance against these targets are reported to the Board of Directors and presented in the Corporate Sustainability Report.

Energy Consumption:

		FY 2021	FY 2022
Total Direct Energy	Peta Joules	0.291	0.203
Total Indirect Energy	Peta Joules	0.52	0.58

Specific Energy Consumption



Water Consumption:

Water	Units	FY2020	FY 2021	FY 2022
Water Withdrawal				
Ground Water	Million m3	0.15	0.15	0.11
Surface Water	Million m3	0	0	0
Municipal Water	Million m3	0.49	0.41	0.49
Total	Million m3	0.63	0.56	0.60

Waste Disposal:

Hazardous waste	Units	2019-20	2020-21	2021-22
Hazardous waste disposal	MT	14,457	12,557	12,587
Solid waste incineration + Liquid waste incineration= total waste incinerated	MT	130	122	262
Co-processing in cement kiln	MT	1,742	1,548	1,528
To authorised agency	MT	10,108	8,670	8,309
Secure landfill	MT	2,477	2,217	2,487

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Public Policy Advocacy

The Company engages with a variety of stakeholders like government, regulatory agencies, NGOs and industry associations. Through its interactions with these stakeholders, the Company participates in identifying and framing public policy matters. The Company also engages with the industry association forums to voice its views about policies. Some of such business associations and NGOs are as follows:

- Advanced Neuroblastoma Research Association
- All India Management Association (AIMA)
- American Chemical Society
- American Society of Nuclear Cardiology
- Canadian Association of Nuclear Medicine
- Confederation of Indian Industry
- Federation of Indian Chambers of Commerce & Industries
- Global Reporting Initiative
- Society of Nuclear Medicine and Molecular Imaging
- US-India Business Council
- US India Strategic Partnership Forum
- Indo-Canadian Business Chamber (ICBC)
- United Nations Global Compact (UNGC)

Principle 8: Businesses should support inclusive growth and equitable development

Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) is an essential part of sustainability framework of Jubilant. CSR activities at Jubilant are in line with Companies Act, 2013 and also in sync with the United Nations Sustainable Development Goals (SDGs). With an emphasis on CSR, the Company is continuously working towards Economic, Environmental and Social performance. The CSR projects are designed in a way to empower the communities around the area of operations of Jubilant and add value to their life.

Jubilant Bhatia Foundation ('JBF'), established in the year 2007, a not-for-profit arm of the Jubilant Bhartia Group is responsible for conceptualisation and implementation of CSR activities of all group companies of Jubilant. The projects work on 4P model (Public-Private-People-Partnership). JBF's detailed activities are available on its website www.jubilantbhartiafoundation.com.

Jubilant's CSR programs are formed with a vision to bring progressive social change through strategic multi-stakeholder partnership and bring about a 'social change' involving 'knowledge generation & sharing, experiential learning and entrepreneurial ecosystem' through JBF.

During the Financial Year 2022, Jubilant continued working in the arena of Health, Education & Livelihood to improve the quality of the life of the communities around the manufacturing locations, which is considered an apex stakeholder. The brief information is as below:

Supporting Rural Government Primary Education: Jubilant Bhartia Foundation is reaching out to over 100,000 students in primary schools through E-Muskaan (School Digitisation), Khushiyon Ki Pathshala (Value Education) & Muskaan Fellowship (Youth Leadership Programme)

Providing affordable basic and preventive health care: Reaching out to population of over 4.50 Lac in more than 100 villages through Jubilant Aarogya (Providing affordable healthcare through mobile and static clinics enabled with JUBICARE- Tele-clinic platform and Swasthya Prahari (Preventive Health Care) along with need based health awareness camps.

Working towards providing sustainable livelihood to the community through Nayee Disha (Skill Development), Samridhhi (SHG & Micro Enterprise Promotion), Jubifarm (Sustainable Agriculture Program having sub programs like Pashu Sakhi & Paryavaran Sakhi).

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

Customer Satisfaction

Maintaining a reliable and strong customer base is the key for sustainable business. Every customer expects good product quality, health and safety and other needs to be met while having their queries addressed swiftly and promptly. We always aspire to build mutual trust with the customers through transparency while addressing queries raised by our customers from every part of the world.

The Company is determined to improve processes to enhance the quality of production and cost competitiveness and is well recognised as a 'Partner of Choice' by leading pharmaceuticals companies worldwide.

Customer Relationship Management

To provide an effective digital platform in addressing customer queries more efficiently, the Company implemented Salesforce.com, a Customer Relationship Management (CRM) software in the Financial Year 2014-15. Any customer can float a product query and dedicated business personnel responds to the query online.

Customer feedback is taken both in formal and informal ways depending upon the type of business and products. A standard customer feedback form has been prepared under the already existing customer feedback system. Feedback forms are sent to all customers and feedback is taken at least once a year. Based on the feedback received, customer satisfaction index is calculated at the end of the year. This customer satisfaction index paves the way forward for respective businesses and gives direction to the sales and marketing team to improve customer satisfaction.

The Company displays product information on the product label, over and above what is mandated as per local laws. During the reporting year, there have been no legal actions concerning any anti-competitive behavior, antitrust and monopoly practices by the Company and its subsidiaries.

Independent Auditor's Report

To the Members of Jubilant Pharmova Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Jubilant Pharmova Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
    e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

    (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.

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

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 35 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year 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.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

Manish Gupta
Partner
Membership No. 095037
UDIN: 22095037AJSRII9388

Place: Delhi
Date: 27 May 2022

Annexure A to the Independent Auditor's Report on Standalone Financial Statements of Jubilant Pharmova Limited

(Referred to in our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(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 a physically verified all its Property, Plant and Equipment during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(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 been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) 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 investments, provided any guarantee or security, granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loan to one company during the year, details of the loan is stated in sub-clause (a) as below. The Company has not provided any loans, secured or unsecured, to firms, limited liability partnership or any other parties during the year.

(a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to a loan given to one subsidiary is as below:

₹ in million

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
- Subsidiaries	-	-	0.5	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date				
- Subsidiaries	-	-	0.5	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

(a) B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loan during the year to parties other than one subsidiary.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loan given is, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated. As stipulated, there was no repayment or receipt due during the year. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the provisions of section 185 of the Act, is not applicable to the Company. In respect of loans and investments made by the Company, the provisions of 186 of the Act to the extent applicable have been complied with. As informed to us, the Company has not provided any guarantee or security as specified under Section 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income- Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute. Further, dues in respect of Life Science Ingredient business transferred to the resulting Company pursuant to the Composite Scheme of Arrangement though the claims may be continuing in the name of the Company (also refer note 31 of the standalone financial statements).

(viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) 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 defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(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 been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, (as defined under the Act).

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

(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 or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, 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 the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

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

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company. For reporting on this clause / sub clause, while we have performed the audit procedures, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.

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

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

(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 Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

Manish Gupta
Partner
Place: Delhi
Membership No. 095037
Date: 27 May 2022
UDIN: 22095037AJSRII9388

Annexure B to the Independent Auditors' report on the standalone financial statements of Jubilant Pharmova Limited for the year ended 31 March 2022.

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

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Jubilant Pharmova Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Standalone financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone financial statements

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

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

Manish Gupta
Partner
Membership No. 095037
UDIN: 22095037AJSRII9388

Place: Delhi
Date: 27 May 2022

Balance Sheet as at 31 March 2022

(₹ in million)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	997.28	1,000.56
Capital work-in-progress	3	0.60	3.27
Other intangible assets	4	-	-
Intangible assets under development	4	-	-
Right-of-use assets	40	238.14	270.24
Financial assets			
i. Investments	5	16,457.48	16,459.84
ii. Loans	6	0.61	0.11
iii. Other financial assets	7	63.00	17.14
Income tax assets (net)		58.59	32.32
Total non-current assets		**17,815.70**	**17,783.48**
Current assets			
Financial assets			
i. Trade receivables	9	212.34	-
ii. Cash and cash equivalents	10	225.05	403.27
iii. Other financial assets	7	0.09	258.24
Other current assets	11	41.52	0.96
Total current assets		**479.00**	**662.47**
Total assets		**18,294.70**	**18,445.95**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	159.30	159.30
Other equity		12,658.88	12,665.15
Total equity		**12,818.18**	**12,824.45**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	14(A)	4,990.00	4,200.00
ii. Lease liabilities		58.11	78.06
Provisions	15	51.61	53.35
Deferred tax liabilities (net)	8	0.02	88.56
Total non-current liabilities		**5,099.74**	**4,419.97**
Current liabilities			
Financial liabilities			
i. Borrowings	14(B)	-	730.00
ii. Lease liabilities		21.68	29.05
iii. Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		5.52	4.37
Total outstanding dues of creditors other than micro enterprises and small enterprises		83.16	154.64
iv. Other financial liabilities	17	151.93	153.25
Other current liabilities	18	34.36	17.19
Provisions	15	79.01	79.65
Current tax liabilities (net)		1.12	33.38
Total current liabilities		**376.78**	**1,201.53**
Total liabilities		**5,476.52**	**5,621.50**
Total equity and liabilities		**18,294.70**	**18,445.95**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

Place: Delhi
Date: 27 May 2022

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Noida
Date: 27 May 2022

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

(₹ in million)

	Notes	For the year ended	
		31 March 2022	**31 March 2021**
Revenue from operations	19	877.48	27,094.98
Other income	20	1,258.69	478.81
Total income		**2,136.17**	**27,573.79**
Expenses			
Cost of materials consumed	21	-	13,289.21
Purchases of stock-in-trade	22	-	662.31
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	-	552.09
Employee benefits expense	24	492.14	2,206.72
Finance costs	25	305.85	1,018.00
Depreciation and amortisation expense	26	62.49	999.71
Other expenses	27	453.21	6,114.08
Total expenses		**1,313.69**	**24,842.12**
Profit before tax		**822.48**	**2,731.67**
Tax expense	28		
- Current tax		136.55	454.44
- Deferred tax (credit)/charge		(99.10)	132.48
Total tax expense		**37.45**	**586.92**
Profit for the year		**785.03**	**2,144.75**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Changes in fair value of equity investments which are classified at fair value through other comprehensive income (OCI)		(2.36)	(10.38)
Remeasurement of defined benefit obligations		3.84	(10.88)
Income tax relating to items that will not be reclassified to profit or loss	28	(1.33)	3.80
Other comprehensive income/(loss) for the year, net of tax		**0.15**	**(17.46)**
Total comprehensive income for the year		**785.18**	**2,127.29**
Earnings per equity share of ₹1 each	51		
Basic (₹)		4.93	13.47
Diluted (₹)		4.93	13.47

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

Place: Delhi
Date: 27 May 2022

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Noida
Date: 27 May 2022

Statement of Changes in Equity for the year ended 31 March 2022

A. Equity share capital

(₹ in million)

Balance as at 1 April 2020	**159.30**
Changes in equity share capital during the year (refer note 12 and note 31)	-
Balance as at 31 March 2021	**159.30**
Changes in equity share capital during the year	-
Balance as at 31 March 2022	**159.30**

B. Other equity

(₹ in million)

	Reserves and surplus (1)							Items of Other Comprehensive Income (1)	Total
	Capital reserve	Securities premium	Capital redemption reserve	Amalgamation reserve	General reserve	Share based payment reserve (refer note 47)	Retained earnings	Equity instruments through OCI	
Balance as at 1 April 2020	**1,088.73**	**5,878.41**	**9.86**	**13.21**	**7,375.72**	**-**	**11,532.64**	**15.08**	**25,913.65**
Profit for the year	-	-	-	-	-	-	2,144.75	-	2,144.75
Other comprehensive (loss)/income	-	-	-	-	-	-	(7.08)	(10.38)	(17.46)
Total comprehensive income for the year	-	-	-	-	-	-	**2,137.67**	**(10.38)**	**2,127.29**
Adjustment on amalgamation of certain promoter controlled entities (refer note 31)	-	-	-	-	-	-	0.62	-	0.62
Adjustment on account of demerger (refer note 31)	-	(5,878.41)	-	-	(7,375.72)	-	(2,121.78)	-	(15,375.91)
Cancellation of investment in Jubilant Ingrevia Limited (refer note 31)	(0.50)	-	-	-	-	-	-	-	(0.50)
Balance as at 31 March 2021	**1,088.23**	-	**9.86**	**13.21**	-	-	**11,549.15**	**4.70**	**12,665.15**
Profit for the year	-	-	-	-	-	-	785.03	-	785.03
Other comprehensive income/(loss)	-	-	-	-	-	-	2.51	(2.36)	0.15
Total comprehensive income for the year	-	-	-	-	-	-	**787.54**	**(2.36)**	**785.18**
Dividend	-	-	-	-	-	-	(796.41)	-	(796.41)
Share-based payment expense	-	-	-	-	-	4.96	-	-	4.96
Balance as at 31 March 2022	**1,088.23**	**-**	**9.86**	**13.21**	**-**	**4.96**	**11,540.28**	**2.34**	**12,658.88**

Statement of Changes in Equity for the year ended 31 March 2022 (Continued)

Notes:

(1) Refer note 13 for nature and purpose of other equity.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached	For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**	
For **B S R & Co. LLP** *Chartered Accountants* ICAI Firm Registration Number: 101248W/W-100022		
Manish Gupta *Partner* Membership No.: 095037	**Shyam S. Bhartia** *Chairman* DIN: 00010484	**Hari S. Bhartia** *Co-Chairman and Managing Director* DIN: 00010499
	Arun Kumar Sharma *Chief Financial Officer*	**Rajiv Shah** *Company Secretary*
Place: Delhi Date: 27 May 2022	Place: Noida Date: 27 May 2022	

Statement of Cash Flows for the year ended 31 March 2022

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
A. Cash flow from operating activities		
Net profit before tax	**822.48**	**2,731.67**
Adjustments:		
Depreciation and amortisation expense	62.49	999.71
(Profit)/loss on disposal of property, plant and equipment (net)	(0.15)	2.36
Finance costs	305.85	1,018.00
Share-based payment expense	4.96	-
Unrealised foreign exchange loss	0.10	1.41
Interest income	(8.57)	(57.00)
Dividend income	(971.11)	-
	(606.43)	**1,964.48**
Operating cash flow before working capital changes	**216.05**	**4,696.15**
(Increase)/decrease in trade receivables, loans, other financial assets and other assets	(3.72)	77.13
Decrease in inventories	-	1,534.32
(Decrease)/increase in trade payables, other financial liabilities, other liabilities and provisions	(54.07)	202.15
Cash generated from operations	**158.26**	**6,509.75**
Income tax paid (net of refund)	(193.78)	(425.98)
Net cash (used in)/generated from operating activities	**(35.52)**	**6,083.77**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	(19.48)	(928.02)
Proceeds from sale of property, plant and equipment	0.36	4.49
Investment in subsidiaries	-	(157.77)
Loans (given to)/repaid by subsidiaries (net)	(0.50)	36.47
Proceeds from sale of business (refer note 48)	-	1,285.00
Movement in other bank balances	(29.21)	1,486.57
Interest received	8.72	52.81
Dividend received	971.11	-
Net cash generated from investing activities	**931.00**	**1,779.55**
C. Cash flow from financing activities		
Proceeds from long term borrowings	-	988.63
Repayments of long term borrowings	-	(2,350.00)
Payment of lease liabilities	(29.36)	(41.83)
Repayments of short term borrowings (net)	-	(5,499.75)
Proceeds from long term borrowings taken from subsidiaries	60.00	1,117.40
Repayments of long term borrowings taken from subsidiaries	-	(997.40)
Dividend paid	(801.07)	(14.75)
Finance costs paid	(303.27)	(1,018.75)
Net cash used in financing activities	**(1,073.70)**	**(7,816.45)**

Statement of Cash Flows for the year ended 31 March 2022 (Continued)

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(178.22)**	**46.87**
Add: cash and cash equivalents at the beginning of year	403.27	967.02
Cash and cash equivalents transferred pursuant to the Composite Scheme (refer note 31)	-	(610.67)
Cash and cash equivalents received pursuant to the Composite Scheme (refer note 31)	-	0.05
Cash and cash equivalents at the end of the year (Refer note 10)	**225.05**	**403.27**

Notes:

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
2. During the year, the Company paid in cash ₹50.40 million (31 March 2021: ₹58.30 million) towards corporate social responsibility (CSR) expenditure (refer note 42).
3. For non-cash transaction pursuant to the Composite Scheme, refer note 31.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Delhi
Date: 27 May 2022

Place: Noida
Date: 27 May 2022

Notes to the financial statements for the year ended 31 March 2022

Note 1. Corporate information

Jubilant Pharmova Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is situated at Bhartiagram, Gajraula, District Amroha, Uttar Pradesh – 244223.

The Company is an integrated global pharmaceutical company engaged in pharmaceuticals, contract research and development services and proprietary novel drugs. The pharmaceuticals segment, through wholly owned subsidiary Jubilant Pharma Limited, is engaged in manufacture and supply of APIs, solid dosage formulations, radiopharmaceuticals, allergy therapy products and contract manufacturing of sterile injectables and non-sterile products through 6 manufacturing facilities in India, USA and Canada and a network of 48 radiopharmacies in the USA. The contract research and development segment provides drug discovery and development services as well as clinical data software and service solutions. Proprietary novel drugs segment is a patient-focused biopharmaceutical business working to address unmet medical needs in oncology and autoimmune diseases The Company is well recognised as a 'Partner of Choice' by leading pharmaceuticals companies globally.

The Company was also engaged in the Life Science Ingredients business till 1 February 2021. The Composite Scheme of Arrangement ("Composite Scheme") for amalgamation of certain promoter controlled entities into the Company and demerger of the Life Science Ingredients business into Jubilant Ingrevia Limited, the Resulting entity, was approved by Honourable National Company Law Tribunal ("NCLT"), Allahabad Bench vide its order dated 23 December 2020, formal order received on 6 January 2021. The said NCLT order was filed with the Registrar of Companies by the Company and the Resulting entity on 1 February 2021, thereby making the Composite Scheme effective. Accordingly, all assets and liabilities of the Life Science Ingredients business stand transferred and vested into Jubilant Ingrevia Limited on 1 February 2021, being the Appointed date as per the Composite Scheme for the demerger of Life Sciences Ingredients business. Effective that date, the name of the Company has changed to Jubilant Pharmova Limited from Jubilant Life Sciences Limited (refer note 31).

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

These Standalone Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, ("the Act"), relevant provisions of the Act and other accounting principles generally accepted in India.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements have been authorised for issue by the Company's Board of Directors on 27 May 2022.

(ii) Historical cost convention

These standalone financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Current versus non-current classification

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

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

Notes to the financial statements for the year ended 31 March 2022 (Continued)

(c) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalised finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

(ii) Intangible assets

- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
  - Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- Intangible assets that are acquired and implementation of software system are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Vehicles – owned	5 years	8 years
Computer servers and networks (included in office equipment)	5 years	6 years
Employee perquisite related assets (except end user computers) (included in furniture and fixtures)	5 years, being the period of perquisite scheme	10 years

Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the useful life.

Depreciation and amortisation on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

(d) Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit and Loss.

Once classified as held-for sale, property, plant and equipment and intangible assets are no longer amortised or depreciated.

(e) Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) *Financial assets*

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in subsidiaries

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(ii) *Financial liabilities*

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Derecognition of financial liabilities

A financial liability is derecognised 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 derecognition 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.

(iii) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(iv) *Share capital*

Equity shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

(g) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(h) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(i) Revenue recognition

Service income is recognized when the Company satisfies a performance obligation as and when the underlying services are performed. 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 goods by the customers.

The Company considers indicators such as how customer consumes benefits as services are rendered 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.

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 including expected sales return etc. The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

Contract assets are recognised when there is excess of revenue earned over billings on contracts, excluding amounts classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

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.

(j) Employee benefits

(i) *Short-term employee benefits:* All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

(ii) *Post-employment benefits:* Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognised in the books of account based on actuarial valuation by an independent actuary. The gratuity liability for certain employees of the Company is funded with Life Insurance Corporation of India upto 1 February 2021. Also refer note 31.

b) Superannuation

Certain employees of the Company are also participants in the superannuation plan, a defined contribution plan. Contribution made by the Company to the superannuation plan during the year is charged to Statement of Profit and Loss.

c) Provident fund

- The Company makes contribution to the recognised provident fund - "VAM Employees Provident Fund Trust" ("the Trust") (a multiemployer trust) for most of its employees in India.

For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

Also refer note 32(A).

- Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(iii) *Other long-term employee benefits:*

Compensated absences:

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iv) *Termination benefits:*

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(v) *Actuarial valuation*

The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term benefits are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

(k) Share-based payments

The Company has adopted the policy to account for Employees Welfare Trust as a legal entity separate from the Company but as a subsidiary of the Company. Any loan from the Company to the trust is accounted for as a loan in accordance with its term.

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognised as an employee expense, and those granted to employees of subsidiaries is considered as the Company's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in equity, over the period that the employees become

Notes to the financial statements for the year ended 31 March 2022 (Continued)

unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

(l) Finance costs and finance income

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalisation. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

Finance income consists of interest income. Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. In calculating interest income or expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(m) Exceptional items

Exceptional items refer to items of income or expense within the Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- ***Current tax:***

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

- ***Deferred tax:***

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is a tax liability of a company computed at specified rate on adjusted book profits as per applicable provisions of the Income Tax Act. A company is liable to pay MAT, if the income tax payable under normal provisions of the Income Tax Act is less than tax payable under MAT.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred income tax is not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

(o) Leases - *Company as a lessee*

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

The Company's lease asset classes primarily consist of leases for land, buildings, plant and machinery and vehicles which typically run for a period of 3 to 10 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(p) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on

Notes to the financial statements for the year ended 31 March 2022 (Continued)

assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(q) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(r) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(s) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(t) Critical estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.

- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(c)
- Impairment of financial assets and non-financial assets – Note 2(f) and 2(e)
- Lease term: whether the Company is reasonably certain to exercise extension options – Note 2(o) and 40
- Recognition and estimation of tax expense including deferred tax – Note 8 and 28
- Fair value measurement – Note 2(s) and 33

Notes to the financial statements for the year ended 31 March 2022 (Continued)

- Estimation of assets and obligations relating to employee benefits – Note 2(j) and 32
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 38

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, property, plant and equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company, as at the date of approval of these financial statements, has used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

(u) Recent accounting pronouncements

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

Ind AS 103 – Reference to Conceptual Framework

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

Ind AS 16 – Proceeds before intended use

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

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

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

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

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

Ind AS 116 – Annual Improvements to Ind AS (2021)

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

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 3: Property, plant and equipment and capital work-in-progress

(₹ in million)

	Land-freehold	Building-factory	Building-others	Plant and equipment	Furniture and fixtures	Vehicles-owned	Office equipment	Railway sidings	Total	Capital work-in-progress
Gross carrying amount as at 1 April 2020	**227.01**	**1,338.92**	**2,235.00**	**17,213.36**	**129.26**	**36.81**	**428.78**	**108.43**	**21,717.57**	**584.14**
Additions (4)	-	-	66.21	745.54	5.39	-	20.96	-	**838.10**	894.58
Deductions	-	-	-	(3.32)	(6.94)	(0.02)	(5.91)	-	**(16.19)**	(838.10)
Transferred pursuant to the Composite Scheme (refer note 31)	(226.89)	(1,338.92)	(1,253.83)	(17,955.58)	(107.88)	(13.32)	(315.57)	(108.43)	**(21,320.42)**	(637.35)
Gross carrying amount as at 31 March 2021	**0.12**	**-**	**1,047.38**	**-**	**19.83**	**23.47**	**128.26**	**-**	**1,219.06**	**3.27**
Accumulated depreciation as at 1 April 2020	**-**	**176.48**	**268.50**	**3,284.32**	**66.73**	**24.58**	**252.11**	**55.40**	**4,128.12**	**-**
Depreciation charge for the year	-	38.82	120.92	691.98	11.65	3.32	37.22	9.24	**913.15**	-
Deductions	-	-	-	(0.26)	(5.34)	-	(3.01)	-	**(8.61)**	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	(215.30)	(285.35)	(3,976.04)	(60.01)	(10.31)	(202.51)	(64.64)	**(4,814.16)**	-
Accumulated depreciation as at 31 March 2021	**-**	**-**	**104.07**	**-**	**13.03**	**17.59**	**83.81**	**-**	**218.50**	**-**
Net carrying amount as at 31 March 2021	**0.12**	**-**	**943.31**	**-**	**6.80**	**5.88**	**44.45**	**-**	**1,000.56**	**3.27**

(₹ in million)

	Land-freehold	Building-factory	Building-others	Plant and equipment	Furniture and fixtures	Vehicles-owned	Office equipment	Railway sidings	Total	Capital work-in-progress
Gross carrying amount as at 1 April 2021	**0.12**	**-**	**1,047.38**	**-**	**19.83**	**23.47**	**128.26**	**-**	**1,219.06**	**3.27**
Additions	-	-	14.12	-	0.73	-	10.43	-	**25.28**	22.61
Deductions	-	-	-	-	(0.30)	-	(0.07)	-	**(0.37)**	(25.28)
Gross carrying amount as at 31 March 2022	**0.12**	**-**	**1,061.50**	**-**	**20.26**	**23.47**	**138.62**	**-**	**1,243.97**	**0.60**
Accumulated depreciation as at 1 April 2021	**-**	**-**	**104.07**	**-**	**13.03**	**17.59**	**83.81**	**-**	**218.50**	**-**
Depreciation charge for the year	-	-	17.43	-	2.43	1.64	6.92	-	**28.42**	-
Deductions	-	-	-	-	(0.21)	-	(0.02)	-	**(0.23)**	-
Accumulated depreciation as at 31 March 2022	**-**	**-**	**121.50**	**-**	**15.25**	**19.23**	**90.71**	**-**	**246.69**	**-**
Net carrying amount as at 31 March 2022	**0.12**	**-**	**940.00**	**-**	**5.01**	**4.24**	**47.91**	**-**	**997.28**	**0.60**

Notes:

(1) Refer note 14(b) for information on property, plant and equipment provided as security by the Company.

(2) Refer note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(3) Refer note 44 for finance costs capitalised.

(₹ in million)

(4) Particulars	31 March 2022	31 March 2021
Opening capital work-in-progress of R&D assets	-	21.28
Expenditure incurred during the year	-	9.74
Less: Capitalised during the year	-	(11.87)
Less: Transferred pursuant to the Composite Scheme (refer note 31)	-	(19.15)
Closing capital work-in-progress of R&D assets	-	-

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Capital work-in-progress ageing schedule:

Ageing for capital work-in-progress as at 31 March 2022 is as follows:

(₹ in million)

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.60	-	-	-	0.60
Total capital work-in-progress	**0.60**	**-**	**-**	**-**	**0.60**

Ageing for capital work-in-progress as at 31 March 2021 is as follows:

(₹ in million)

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.27	-	-	-	3.27
Total capital work-in-progress	**3.27**	**-**	**-**	**-**	**3.27**

Note 4: Other intangible assets and intangible assets under development

(₹ in million)

	Rights	Software	Total	Intangible assets under development
Gross carrying amount as at 1 April 2020	**12.24**	**148.24**	**160.48**	**6.80**
Additions	-	3.46	**3.46**	26.76
Deductions	-	-	**-**	(3.46)
Transferred pursuant to the Composite Scheme (refer note 31)	(12.24)	(151.62)	**(163.86)**	(30.10)
Gross carrying amount as at 31 March 2021	**-**	**0.08**	**0.08**	**-**
Accumulated amortisation as at 1 April 2020	**12.24**	**96.44**	**108.68**	**-**
Amortisation for the year	-	14.86	**14.86**	-
Transferred pursuant to the Composite Scheme (refer note 31)	(12.24)	(111.22)	**(123.46)**	-
Accumulated amortisation as at 31 March 2021	**-**	**0.08**	**0.08**	**-**
Net carrying amount as at 31 March 2021	**-**	**-**	**-**	**-**

(₹ in million)

	Rights	Software	Total	Intangible assets under development
Gross carrying amount as at 1 April 2021	**-**	**0.08**	**0.08**	**-**
Additions	-	-	**-**	-
Deductions	-	-	**-**	-
Gross carrying amount as at 31 March 2022	**-**	**0.08**	**0.08**	**-**
Accumulated amortisation as at 1 April 2021	**-**	**0.08**	**0.08**	**-**
Amortisation for the year	-	-	**-**	**-**
Accumulated amortisation as at 31 March 2022	**-**	**0.08**	**0.08**	**-**
Net carrying amount as at 31 March 2022	**-**	**-**	**-**	**-**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 5: Non-current investments

(₹ in million)

		As at	
		31 March 2022	31 March 2021
I.	**Investment in equity shares (at cost)**		
	Unquoted (fully paid up)		
	Subsidiary companies:		
	326,758,994 (31 March 2021: 326,758,994) equity shares with no par value		
	Jubilant Pharma Limited	14,913.01	14,913.01
	2,050,000 (31 March 2021: 2,050,000) equity shares of ₹10 each		
	Jubilant First Trust Healthcare Limited	44.43	44.43
	4,650,001 (31 March 2021: 4,650,001) equity shares with no par value		
	Drug Discovery and Development Solutions Limited	641.31	641.31
	50,000 (31 March 2021: 50,000) equity shares of ₹10 each		
	Jubilant Business Services Limited	0.50	0.50
	86,645,213 (31 March 2021: 86,645,213) equity shares of ₹10 each		
	Jubilant Therapeutics India Limited	570.00	570.00
	252,140,534 (31 March 2021: 252,140,534) equity shares of ₹10 each		
	Jubilant Biosys Limited	219.77	219.77
		16,389.02	**16,389.02**
II.	**Investment in equity shares (at fair value through other comprehensive income)**		
	Unquoted (fully paid up)		
	Other Companies:		
	6,569,310 (31 March 2021: 6,569,310) equity shares of ₹10 each		
	Forum I Aviation Limited*	68.46	70.82
		68.46	**70.82**
	Total non-current investments	**16,457.48**	**16,459.84**
	Aggregate amount of unquoted investments	**16,457.48**	**16,459.84**
	Aggregate amount of impairment in the value of investments	-	-

*The Company designated this investment as equity instruments measured at FVOCI because these shares represent investment that the Company intends to hold for long-term for strategic purposes.

Note 6: Non-current loans

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Unsecured, considered good		
Loan to related parties (refer note 37)	0.50	-
Loan to employees	0.11	0.11
Non-current loans	**0.61**	**0.11**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 7: Other financial assets

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Other bank balances:				
Deposits with maturity after 12 months from the reporting date (1)	-	29.21	-	-
Security deposits	-	33.79	-	17.14
Receivable from related parties (2) (refer note 37)	-	-	258.00	-
Interest receivable	0.09	-	0.24	-
Total other financial assets	**0.09**	**63.00**	**258.24**	**17.14**

Note:

(1) These deposits have restricted use.

(2) Including due by directors and private companies having common director aggregating to ₹ Nil (31 March 2021: ₹2.49 million)

Note 8. Deferred tax

Deferred income tax reflects the net tax effects of temporary difference between the carrying amount of asset and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's net deferred income tax are as follows:

Deferred tax assets:

(₹ in million)

	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	MAT credit entitlement	Lease liability	Accrued expenses and other temporary differences	Total
As at 1 April 2020	**279.31**	**36.67**	**1,943.18**	**180.24**	**18.38**	**2,457.78**
(Charged)/credited:						
- to statement of profit and loss	(8.87)	(22.00)	(206.60)	10.31	(0.57)	**(227.73)**
- to MAT credit adjusted/utilised	-	-	(48.87)	-	-	**(48.87)**
- to other comprehensive income	3.80	-	-	-	-	**3.80**
Transferred pursuant to the Composite Scheme (refer note 31)	(240.76)	(14.67)	(1,687.71)	(163.96)	(16.88)	**(2,123.98)**
As at 31 March 2021	**33.48**	**-**	**-**	**26.59**	**0.93**	**61.00**
(Charged)/credited:						
- to statement of profit and loss	13.51	-	138.74	(5.24)	(0.12)	146.89
- to MAT credit adjusted/ utilised	-	-	(9.23)	-	-	(9.23)
- to other comprehensive income	(1.33)	-	-	-	-	(1.33)
As at 31 March 2022	**45.66**	**-**	**129.51**	**21.35**	**0.81**	**197.33**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Deferred tax liabilities:

(₹ in million)

	PPE, Intangibles and Right-of-use assets	Others	Total
As at 1 April 2020	**2,564.98**	**5.93**	**2,570.91**
Charged/(credited):			
- to statement of profit and loss	(94.96)	(0.29)	**(95.25)**
- to other comprehensive income	-	-	**-**
Transferred pursuant to the Composite Scheme (refer note 31)	(2,320.46)	(5.64)	**(2,326.10)**
As at 31 March 2021	**149.56**	**-**	**149.56**
Charged/(credited):			
- to statement of profit and loss	47.79	-	47.79
- to other comprehensive income	-	-	-
As at 31 March 2022	**197.35**	**-**	**197.35**

Deferred tax liabilities (net):

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Deferred tax assets	197.33	61.00
Deferred tax liabilities	197.35	149.56
Deferred tax liabilities (net)	**(0.02)**	**(88.56)**

Reconciliation of deferred tax (liabilities) /assets (net):

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Balance as at the commencement of the year	**(88.56)**	**(113.13)**
Credit/ (charge) during the year recognised:		
- in statement of profit and loss (including MAT)	99.10	(132.48)
- in capital reserve	-	-
- in other comprehensive income	(1.33)	3.80
MAT credit adjusted/utilised	(9.23)	(48.87)
Transferred pursuant to the Composite Scheme (refer note 31)	-	202.12
Balance as at the end of the year	**(0.02)**	**(88.56)**

DTA has not been recognized on temporary differences in relation to indexation benefit of investment in subsidiaries amounting to ₹5,003.64 million (31 March 2021: ₹4,559.70) as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

Tax related contingencies: Refer note 38.

Note 9: Trade receivables

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Unsecured and current		
Trade receivables from related parties – considered good (refer note 37)	212.34	-
Total trade receivables	**212.34**	**-**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Trade receivables ageing schedule as at 31 March 2022:

(₹ in million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	154.87	56.95	0.52	-	-	-	212.34
	154.87	**56.95**	**0.52**	**-**	**-**	**-**	**212.34**
Less: Expected credit loss allowance							-
Total trade receivables							**212.34**

Trade receivables ageing schedule as at 31 March 2021:

(₹ in million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Less: Expected credit loss allowance							-
Total trade receivables							**-**

Note 10: Cash and cash equivalents

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Balances with banks		
- current accounts	39.49	192.20
- dividend accounts	35.56	40.22
- deposit accounts with original maturity up to three months	150.00	130.00
Others		
- Funds in transit	-	40.85
Total cash and cash equivalents (1)	**225.05**	**403.27**

Note:

(1) ₹35.56 million (31 March 2021: ₹40.22 million) has restricted use.

Note 11: Other current assets

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Prepaid expenses	12.12	0.95
Recoverable from/balance with government authorities (refer note 43)	28.59	0.01
Advance to employees	0.81	-
Total other current assets	**41.52**	**0.96**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 12: Equity share capital

(₹ in million)

	As at 31 March 2022	As at 31 March 2021
Authorised		
1,430,200,000 (31 March 2021 : 1,430,200,000) equity shares of ₹1 each	1,430.20	1,430.20
	1,430.20	**1,430.20**
Issued and subscribed		
159,313,139 (31 March 2021 : 159,313,139) equity shares of ₹1 each	159.31	159.31
	159.31	**159.31**
Paid up capital		
159,281,139 (31 March 2021 : 159,281,139) equity shares of ₹1 each	159.28	159.28
Add: Equity shares forfeited (paid up)	0.02	0.02
	159.30	**159.30**

Movement in equity share capital:

	As at 31 March 2022		As at 31 March 2021	
	Number	₹ in million	Number	₹ in million
At the commencement and at the end of the year#	159,281,139	159.28	159,281,139	159.28

#Refer note 31

Terms and rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having par value of ₹1 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

Details of shareholders holding more than 5% shares in the Company:

Equity shares of ₹1 each fully paid-up held by	As at 31 March 2022		As at 31 March 2021	
	Number	% of total shares	Number	% of total shares
SPB Trustee Company Private Limited & SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,686,161	20.52%	32,686,161	20.52%
HSB Trustee Company Private Limited & HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%

Disclosure of shareholding of promoters:

Shareholding of promoters as at 31 March 2022 is as follows:

Promoter name	31 March 2022		31 March 2021		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
- Mr. Hari Shanker Bhartia	360,885	0.23%	360,885	0.23%	-
- Ms. Kavita Bhartia	10,285	0.01%	10,285	0.01%	-
- Mr. Priyavrat Bhartia	3,085	0.00%	3,085	0.00%	-
- Mr. Shamit Bhartia	129,245	0.08%	129,245	0.08%	-
- Jaytee Private Limited	7,600	0.00%	7,600	0.00%	-

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Promoter name	31 March 2022		31 March 2021		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
- Nikita Resources Private Limited	35,04,540	2.20%	35,04,540	2.20%	-
- HSB Trustee Company Private Limited & HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%	-
- SPB Trustee Company Private Limited & SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,686,161	20.52%	32,686,161	20.52%	-
- MAV Management Advisors LLP	5,011,400	3.15%	5,011,400	3.15%	-
- Jubilant Enpro Private Limited	2,116,000	1.33%	2,116,000	1.33%	-
- Mr. Shyam Sunder Bhartia	1,399,925	0.88%	1,399,925	0.88%	-
- Miller holdings Pte. Limited	5,230,455	3.28%	5,230,455	3.28%	-
Total	**80,717,056**	**50.68%**	**80,717,056**	**50.68%**	**-**

Shareholding of promoters as at 31 March 2021 is as follows:

Promoter name	31 March 2021		31 March 2020		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
- Mr. Hari Shanker Bhartia	360,885	0.23%	360,885	0.23%	-
- Ms. Kavita Bhartia	10,285	0.01%	10,285	0.01%	-
- Mr. Priyavrat Bhartia	3,085	0.00%	3,085	0.00%	-
- Mr. Shamit Bhartia	129,245	0.08%	129,245	0.08%	-
- Jaytee Private Limited	7,600	0.00%	7,600	0.00%	-
- Nikita Resources Private Limited	3,504,540	2.20%	3,504,540	2.20%	-
- HSB Trustee Company Private Limited & HS Trustee Company Private Limited	30,257,475	19.00%	-	-	19.00%
(Jointly on behalf of Hari Shanker Bhartia Family Trust)					
- SPB Trustee Company Private Limited & SS Trustee Company Private Limited	32,686,161	20.52%	-	-	20.52%
(Jointly on behalf of Shyam Sunder Bhartia Family Trust)					
- Jubilant Stock Holding Private Limited	-	-	21,361,992	13.41%	-13.41%
- HSB Corporate Consultants Private Limited	-	-	19,278,979	12.11%	-12.11%
- SSB Consultants and Management Services Private Limited	-	-	21,587,665	13.55%	-13.55%
- MAV Management Advisors LLP	5,011,400	3.15%	5,011,400	3.15%	-
- Jubilant Enpro Private Limited	2,116,000	1.33%	2,831,000	1.78%	-0.45%
- Mr. Shyam Sunder Bhartia	1,399,925	0.88%	1,399,925	0.88%	-
- Miller holdings Pte. Limited	5,230,455	3.28%	5,230,455	3.28%	-
Total	**80,717,056**	**50.68%**	**80,717,056**	**50.68%**	**-**

Note 13: Nature and purpose of other equity

- *Capital reserve*

  Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently and includes excess/shortfall of consideration over book value of net assets/liabilities transferred under a common control transaction.

- *Securities premium*

  The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

- *Capital redemption reserve*

  Capital redemption reserve represents the unutilized accumulated amount set aside at the time of redemption of preference shares. This reserve is utilised in accordance with the provisions of the Act.

- *Amalgamation reserve*

  Amalgamation reserve represents the unutilized accumulated surplus created at the time of amalgamation of another company with the Company. This reserve is not available for distribution of dividend and is expected to remain invested permanently.

- *General reserve*

  This represents appropriation of profit by the Company and is available for distribution of dividend.

- *Debenture redemption reserve*

  The Company is required to create a debenture redemption reserve out of the profits prior to the redemption of debentures. This reserve is available for distribution of dividend post redemption of debentures.

- *Share based payment reserve*

  The fair value of the equity settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to share based payment reserve. Further, equity settled share based payment transaction with employees of subsidiary is recognised in investment of subsidiaries with corresponding credit to Share based payment reserve

- *Retained earnings*

  Retained earnings represent the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.

- *Equity instrument through OCI*

  The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Company transfers amount therefrom to retained earnings when the relevant equity securities are derecognized.

  Also refer note 31.

Note 14 (A): Non-current borrowings

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Secured debentures		
Non-convertible debentures (secured) (refer note 37)	950.00	950.00
Term loans		
From related parties		
Indian rupee loans from subsidiaries (unsecured) (refer note 37)	4,040.00	3,250.00
Total non-current borrowings	**4,990.00**	**4,200.00**

Note 14 (B): Current borrowings

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Loans repayable on demand		
From related parties (unsecured) (refer note 37)	-	730.00
Total current borrowings	**-**	**730.00**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

14 (a). Nature of security and other terms of repayment of non-current borrowings as at 31 March 2022 and 31 March 2021

14(a)(i) Non-convertible debentures amounting to ₹950.00 million is repayable in January 2026 and carries an interest rate of 6.22% (31 March 2021: 5.50%) per annum. These non-convertible debentures are secured by way of first charge on immovable fixed assets located at Plot No.15, Knowledge Park-II, Greater Noida, Uttar Pradesh.

14(a)(ii) Loans from subsidiaries carry interest rate of 6.75% (31 March 2021: 4.75% to 7.35%) per annum and are repayable between March 2026 and October 2026.

14 (b). Assets pledged as security

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at year end.

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Leasehold land and property, plant and equipment	896.32	898.61
	896.32	**898.61**

14 (c). Reconciliation of movements of liabilities (borrowings, lease liabilities and interest accrued) to cash flows arising from financing activities

(₹ in million)

	31 March 2022	**31 March 2021**
As at beginning of the year	**5,061.35**	**20,228.63**
Movement due to cash transactions as per the statement of cash flows	(272.63)	(7,801.67)
Movement due to:		
- Finance costs expensed	305.85	1,018.00
- Finance costs capitalised	-	24.54
- Lease liabilities	2.04	86.88
- Transferred pursuant to the Composite Scheme (refer note 31)	-	(8,495.03)
As at end of the year	**5,096.61**	**5,061.35**

Note 15: Provisions

(₹ in million)

	As at			
	31 March 2022		**31 March 2021**	
	Current	**Non-current**	**Current**	**Non-current**
Unsecured, considered good				
Provision for employee benefits (refer note 32)	79.01	51.61	79.65	53.35
Total provisions	**79.01**	**51.61**	**79.65**	**53.35**

Note 16: Trade payables

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 29)	5.52	4.37
Total outstanding dues of creditors other than micro enterprises and small enterprises *	83.16	154.64
Total trade payables	**88.68**	**159.01**
* Amount payable to related party included in the above (refer note 37)	26.39	123.19

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Trade payables ageing schedule as at 31 March 2022:

(₹ in million)

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	1.54	3.98	-	-	-	-	5.52
Other than micro enterprises and small enterprises	46.58	10.89	24.98	0.71	-	-	83.16
Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues - other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total trade payables	**48.12**	**14.87**	**24.98**	**0.71**	**-**	**-**	**88.68**

Trade payables ageing schedule as at 31 March 2021:

(₹ in million)

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	-	4.37	-	-	-	-	4.37
Other than micro enterprises and small enterprises	32.93	7.00	114.71	-	-	-	154.64
Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues - other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total trade payables	**32.93**	**11.37**	**114.71**	**-**	**-**	**-**	**159.01**

Note 17: Other current financial liabilities

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Interest accrued	26.82	24.24
Unpaid dividend	35.56	40.22
Security deposit	-	1.44
Capital creditors (refer note 29) *	6.10	2.97
Employee benefits payable	67.25	45.38
Other payables	16.20	39.00
Total other current financial liabilities	**151.93**	**153.25**

* Includes outstanding dues of micro enterprises and small enterprises of ₹0.68 million (31 March 2021: ₹ Nil).

Note 18: Other current liabilities

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Statutory dues payables	34.36	17.19
Total other current liabilities	**34.36**	**17.19**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 19: Revenue from operations

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Sale of products	-	26,874.47
Sale of services	877.48	6.24
Other operating revenue (refer note 43)	-	214.27
Total revenue from operations	**877.48**	**27,094.98**

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market and major products/service lines.

(₹ in million)

	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Management Services	Life Science Ingredients	Total	Management Services	Life Science Ingredients	Total
Primary geographical markets						
- India	377.56	-	377.56	-	16,877.17	16,877.17
- Americas and Europe	499.92	-	499.92	-	6,011.08	6,011.08
- China	-	-	-	-	1,825.91	1,825.91
- Rest of the world	-	-	-	-	2,166.55	2,166.55
Total	**877.48**	-	**877.48**	-	**26,880.71**	**26,880.71**
Major products/service lines						
- Specialty Intermediates	-	-	-	-	9,089.35	9,089.35
- Life Science Chemicals	-	-	-	-	13,158.09	13,158.09
- Nutritional Products	-	-	-	-	4,633.27	4,633.27
- Management Services	877.48	-	877.48	-	-	-
Total	**877.48**	-	**877.48**	-	**26,880.71**	**26,880.71**

Contract balances

(₹ in million)

	As at		
	31 March 2022	31 March 2021	1 April 2020
Trade receivables	212.34	-	4,254.51
Contract liabilities	-	-	90.10

The amount of ₹ Nil and ₹90.10 million recognised in contract liabilities at the beginning of the year has been recognised as revenue for the year ended 31 March 2022 and 31 March 2021, respectively.

Reconciliation of revenue recognized with the contracted price is as follows:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Contracted price	877.48	26,905.93
Reductions towards variable consideration components	-	(25.22)
Revenue recognised	**877.48**	**26,880.71**

The reduction towards variable consideration primarily comprises of volume discounts, price discounts.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 20: Other income

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Interest income	8.57	57.00
Dividend from subsidiaries	971.11	-
Gain on disposal of property, plant and equipment (net)	0.15	-
Other non-operating income	278.86	421.81
Total other income	**1,258.69**	**478.81**

Note 21: Cost of materials consumed

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Raw materials consumed	-	13,289.21
Total cost of materials consumed	**-**	**13,289.21**

Note 22: Purchases of stock-in-trade

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Purchases of stock-in-trade	-	662.31
Total purchases of stock-in-trade	**-**	**662.31**

Note 23: Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Opening balance		
Work-in-progress	-	1,169.48
Finished goods	-	1,697.96
Stock-in-trade	-	2.91
Total opening balance	**-**	**2,870.35**
Closing balance		
Work-in-progress	-	-
Finished goods	-	-
Stock-in-trade	-	-
Total closing balance	**-**	**-**
Less: Transferred pursuant to the Composite Scheme (refer note 31)	-	(2,318.26)
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**-**	**552.09**

Note 24: Employee benefits expense

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Salaries, wages, bonus, gratuity and allowances	457.52	1,993.09
Contribution to provident fund, superannuation and other funds	18.25	103.62
Share-based payment expense	4.96	-
Staff welfare expenses	11.41	110.01
Total employee benefits expense	**492.14**	**2,206.72**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 25: Finance costs

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Interest expense	305.85	978.39
Other finance costs	-	39.61
Total finance costs (1)	**305.85**	**1,018.00**

Note:

(1) Refer note 44 for finance costs capitalised.

Note 26: Depreciation and amortisation expense

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	28.42	913.15
Depreciation of right-of-use assets	34.07	71.70
Amortisation of intangible assets	-	14.86
Total depreciation and amortisation expense	**62.49**	**999.71**

Note 27: Other expenses

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Power and fuel	92.72	2,804.04
Consumption of stores and spares and packing materials	-	1,136.61
Processing charges	-	156.82
Rental charges	2.22	40.14
Rates and taxes	2.96	39.10
Insurance	6.78	89.02
Advertisement, publicity and sales promotion	3.31	2.59
Travel and conveyance	65.47	33.71
Repairs and maintenance:		
i. Plant and machinery	0.03	711.82
ii. Buildings	1.43	34.02
iii. Others	7.66	129.84
Office expenses	46.24	118.36
Vehicle running and maintenance	2.26	12.29
Printing and stationery	1.58	7.10
Telephone and communication charges	1.01	13.29
Staff recruitment and training	19.34	16.02
Donation [including corporate social responsibility expenditure (refer note 42)]	50.40	60.80
Payments to statutory auditors (refer note 27(a) below)	11.40	9.84
Legal and professional fees	98.95	73.63
Freight and forwarding (including ocean freight)	-	498.11

Notes to the financial statements for the year ended 31 March 2022 (Continued)

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Subscription	6.92	17.13
Claims and other selling expenses	-	5.17
Commission on sales	-	24.73
Loss on disposal of property, plant and equipment (net)	-	2.36
Net foreign exchange loss	10.16	-
Miscellaneous expenses	22.37	77.54
Total other expenses	**453.21**	**6,114.08**

Note 27(a): Details of payment to statutory auditors (excluding applicable taxes and including out of pocket expenses)

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
As auditor:		
Audit fee	6.79	3.62
Certification fees and other services	4.61	6.22
Total payment to auditors	**11.40**	**9.84**

Note 28: Income tax

The major components of income tax expense:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Profit or loss section:		
Current tax:		
Current tax charge for the year	143.96	486.04
Adjustments in respect of current tax of previous years	(7.41)	(31.60)
Total current tax expense	**136.55**	**454.44**
Deferred tax:		
Deferred tax (credit)/charge on profits for the year	(97.69)	144.64
Adjustments in respect of deferred tax of previous years	(1.41)	(12.16)
Total deferred tax (benefit)/expense	**(99.10)**	**132.48**
Income tax expense	**37.45**	**586.92**
Other comprehensive income section:		
Tax (charge)/credit related to items that will not be reclassified to profit and loss	(1.33)	3.80
Income tax (expense)/benefit	**(1.33)**	**3.80**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Reconciliation between average effective tax rate and applicable tax rate for the year:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Profit before income tax	822.48	2,731.67
At statutory income tax rate of 34.944% (31 March 2021: 34.944%)	287.40	954.56
- Effect of non-deductible expenses and exempt income	(269.49)	(135.49)
- Effect of income taxed at lower rate	(5.22)	-
- Effect of prior year taxes	(8.82)	(43.76)
- Tax effect on reversal of temporary differences	-	(143.19)
- Effect of lower tax rate on temporary differences	-	(40.36)
- Effect of change in tax rate on opening deferred tax balance	33.85	-
- Others	(0.27)	(4.84)
Income tax expense reported in the Statement of Profit and Loss	**37.45**	**586.92**

Note 29: Micro, small and medium enterprises

There are no micro, small and medium enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at the end of year. 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.

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
The principal amount remaining unpaid to any supplier as at the end of the year	6.20	4.37
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	-	-

Note 30: Scheme of arrangement:

The Scheme of Arrangement ("the Scheme") for demerger of the Active Pharmaceuticals Ingredients business undertaking of Jubilant Generics Limited ("JGL"), an indirect wholly owned subsidiary of the Company, and vesting of the same with the Company, on a going concern basis, with an appointed date of 1 April 2022 was approved by Hon'ble National Company Law Tribunal, Allahabad Bench ("the Tribunal") vide its order("the Order") dated 23 May 2022. The Company is in the process of filing the certified copy of the Order from the Tribunal with the Registrar of Companies for registration in terms the requirements under the Companies Act, 2013, to make the Scheme effective upon such filing.

Note 31: Composite scheme of arrangement:

The Board of Directors of the Company at its meeting held on 25 October 2019 had approved the Composite Scheme of Arrangement ("Composite Scheme") and subsequently filed with National Company Law Tribunal ("NCLT") for: (a) amalgamation of HSB Corporate

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Consultants Private Limited ("Transferor Company 1"), Jubilant Stock Holding Private Limited ("Transferor Company 2"), SSB Consultants & Management Services Private Limited ("Transferor Company 3"), JCPL Life Science Ventures and Holdings Private Limited ("Transferor Company 4") and JSPL Life Science Services and Holdings Private Limited ("Transferor Company 5") [collectively, the "Transferor Companies"] into the Company; and (b) demerger of the Life Science Ingredients ("LSI") Business into Jubilant Ingrevia Limited (the "Resulting Entity").

The Composite Scheme was approved by Honourable NCLT, Allahabad Bench vide its order dated 23 December 2020 (formal order received on 6 January 2021).

Amalgamation

In terms of the Composite Scheme, Transferor Company 1, Transferor Company 2 and Transferor Company 3 amalgamated into the Company. The said NCLT order was filed with the Registrar of Companies by these transferor companies and the Company on 8 January 2021 thereby making the Composite Scheme effective for these transferor companies. On amalgamation, 62,943,636 equity shares of the Company held by these transferor companies were automatically cancelled on and from the effective date. Simultaneously and concurrent with such cancellation the Company issued and allotted equivalent number of equity shares i.e. 62,943,636 of ₹1 each fully paid up to Transferor Company 4 and Transferor Company 5 who are the shareholders of Transferor Company 1, Transferor Company 2 and Transferor Company 3 as on the Record Date i.e. 8 January 2021.

Further, in terms of the Composite Scheme, after occurrence of the above amalgamation, Transferor Company 4 and Transferor Company 5 amalgamated into the Company. The said NCLT order was filed with the Registrar of Companies by these transferor companies and the Company on 18 January 2021 thereby making the Composite Scheme effective for these transferor companies. On amalgamation, 62,943,636 equity shares of the Company held by these transferor companies were automatically cancelled on and from the effective date. Simultaneously and concurrent with such cancellation the Company issued and allotted equivalent number of equity shares i.e. 62,943,636 of ₹1 each fully paid up to the shareholders of Transferor Company 4 and Transferor Company 5 as on the Record Date i.e. 18 January 2021.

Accounting of amalgamation as per approved Composite Scheme:

(i) The Company recorded the assets, liabilities and reserves of the Transferor Companies, vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Companies;

(ii) The loans and advances or payables or receivables or any other investment or arrangement of any kind, held inter se, between the Transferor Companies and the Company was cancelled. The Company cancelled its equity shares held by the Transferor Companies and issued equivalent numbers of its equity shares to the shareholders of the Transferor Companies; and

(iii) The difference between the book value of assets, liabilities and reserves as reduced by the face value of the equity shares issued by the Company and after considering the cancellation of inter-company investments was recorded within Other Equity of the Company.

The book value of assets, liabilities and reserves acquired from Transferor Companies were:

(₹ in million)

	Amount
ASSETS	
Non-current assets	
Financial assets	
i. Investments	2,564.59
ii. Loans	0.02
Income tax assets (net)	0.55
Total non-current assets	**2,565.16**
Current assets	
Financial assets	
i. Cash and cash equivalents	0.05
Total current assets	**0.05**
Total assets	**2,565.21**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

(₹ in million)

	Amount
EQUITY AND LIABILITIES	
Equity	
Other equity	
- Capital reserve	(144.17)
- Capital Redemption Reserve	569.00
- Retained earnings	1,992.35
Total equity	**2,417.18**
Liabilities	
Total liabilities	**-**
Total equity and liabilities	**2,417.18**

(₹ in million)

	Amount
Net assets acquired	148.03
Less: Equity shares issued to the shareholders of the Transferor Companies	62.94
Balance recognised under amalgamation reserve	**85.09**
Cancellation of investments held by the Transferor Companies	**(2,564.59)**
Adjusted against equity of the Company and reserves of Transferor Companies acquired pursuant to amalgamation:	
- Equity share capital	(62.94)
- Amalgamation reserve	(85.09)
- Capital reserve	144.17
- Capital redemption reserve	(569.00)
- Retained earnings	(1,991.73)
	(2,564.59)
Net reserves acquired pursuant to amalgamation	
- Retained earnings	0.62

Demerger

The said NCLT order was filed with the Registrar of Companies by the Resulting Entity and the Company on 1 February 2021 thereby making the Composite Scheme effective. In terms of the Composite Scheme, all assets and liabilities of the LSI Business of the Company stands transferred and vested into the Resulting Entity on 1 February 2021, being the Demerger Appointed Date as per the Composite Scheme for the demerger of LSI Business. Effective that date, the name of the Company has changed to Jubilant Pharmova Limited from Jubilant Life Sciences Limited. The standalone financial statements comprise solely the LSI business, which stands demerged to the Resulting Entity.

Accounting of Demerger as per approved Composite Scheme:

(i) the Company reduced the book values of assets and liabilities of the LSI Business as at the close of business on the day immediately preceding the Demerger Appointed Date in its books of accounts;

(ii) the Company made an adjustment equal to the book values of the LSI Business, first in the Securities Premium to the extent available, thereafter in the General Reserve to the extent available and residual balance in the Retained Earnings under the head "Other Equity"; and

(iii) the carrying value of the investment in equity shares of the Resulting Entity to the extent held by the Company, amounting to ₹0.50 million were cancelled.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

The book value of assets and liabilities transferred as at the appointed date are as under:

(₹ in million)

	Amount
ASSETS	
Non-current assets	
Property, plant and equipment	16,506.26
Capital work-in-progress	637.35
Other intangible assets	40.40
Intangible assets under development	30.10
Right-of-use assets	752.36
Financial assets	
i. Investments	1,327.30
ii. Loans	25.05
iii. Other financial assets	4.95
Other non-current assets	25.90
Total non-current assets	**19,349.67**
Current assets	
Inventories	5,029.49
Financial assets	
i. Trade receivables	4,755.49
ii. Cash and cash equivalents	610.67
iii. Other bank balances	192.69
iv. Loans	25.75
v. Other financial assets	105.30
Other current assets	1,588.52
Total current assets	**12,307.91**
Total assets (A)	**31,657.58**
LIABILITIES	
Non-current liabilities	
Financial liabilities	
i. Borrowings	6,926.98
ii. Lease liabilities	402.26
Provisions	602.92
Deferred tax liabilities (net)	202.12
Total non-current liabilities	**8,134.28**
Current liabilities	
Financial liabilities	
i. Borrowings	167.40
ii. Lease liabilities	21.30
iii. Trade payables	6,188.57
iv. Other financial liabilities	1,372.63

Notes to the financial statements for the year ended 31 March 2022 (Continued)

(₹ in million)

	Amount
Other current liabilities	233.46
Provisions	164.03
Total current liabilities	**8,147.39**
Total liabilities (B)	**16,281.67**
Net assets transferred (A) - (B)	**15,375.91**

(₹ in million)

	Amount
Utilisation of reserves for transfer of net assets pursuant to the Composite scheme	
Securities premium	5,878.41
General reserve	7,375.72
Retained earnings	2,121.78
	15,375.91

Note 32: Employee benefits in respect of the Company have been calculated as under:

(A) Defined Contribution Plans

The Company has certain defined contribution plan such as provident fund, employee state insurance, employee pension scheme, employee superannuation fund wherein specified percentage is contributed to these plans. During the year, the Company has contributed following amounts to:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Employer's contribution to provident fund (1)	5.66	8.99
Employer's contribution to employee's pension scheme	0.50	22.58
Employer's contribution to superannuation fund	-	2.91
Employer's contribution to employee state insurance	-	0.45

(1) For certain employees where Provident Fund was deposited with government authority e.g. Regional Provident Fund Commissioner. With effect from 1 December 2021, the Company transferred the balance in the Trust to Regional Provident Fund Commissioner and started depositing contribution with Regional Provident Fund Commissioner for all the employees.

(B) Defined Benefit Plans

i. 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 7.20% p.a. (31 March 2021: 6.80% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (31 March 2021: 58 years) and mortality table is as per IALM (2012-14) (31 March 2021: IALM (2012-14)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (31 March 2021: 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets were maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of a unit of the Company upto 1 February 2021 (also refer note 31). The details of investments maintained by Life Insurance Corporation were not available with the Company, hence not disclosed. The expected rate of return on plan assets is 6.80 % p.a. during the year ended 31 March 2021.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in million)

	31 March 2022	31 March 2021
Present value of obligation at the beginning of the year	93.45	631.52
Employees transferred out	(3.97)	(3.80)
Current service cost	6.02	37.16
Interest cost	6.35	42.54
Actuarial (gain)/loss	(3.84)	10.60
Benefits paid	(3.18)	(67.77)
Transferred pursuant to the Composite Scheme (refer note 31)	-	(556.80)
Present value of obligation at the end of the year	**94.83**	**93.45**

Fair value of plan assets:**

(₹ in million)

	31 March 2022	31 March 2021
Plan assets at the beginning of the year	-	5.07
Expected return on plan assets	-	0.29
Benefits paid	-	(1.68)
Actuarial loss	-	(0.28)
Transferred pursuant to the Composite Scheme (refer note 31)	-	(3.40)
Plan assets at the end of the year	**-**	**-**

** In respect of one location, 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:

(₹ in million)

	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the end of the year	94.83	93.45
Fair value of plan assets at the end of the year	-	-
Net liabilities recognised in the Balance Sheet	**94.83**	**93.45**

The Company's best estimate of contribution during next year is ₹11.76 million (31 March 2021: ₹10.88 million)

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Current service cost	6.02	37.16
Interest cost	6.35	42.25
Expense recognised in the Statement of Profit and Loss	**12.37**	**79.41**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Amount recognised in the other comprehensive income:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Actuarial gain due to demographic assumption change	(0.01)	-
Actuarial gain due to financial assumption change	(0.52)	-
Actuarial (gain)/loss due to experience adjustment	(3.31)	10.60
Actuarial loss on plan assets	-	0.28
Amount recognised in the other comprehensive income	**(3.84)**	**10.88**

Sensitivity analysis

Discount rate

	31 March 2022		31 March 2021	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(0.62)	0.64	(0.80)	0.84

Future salary increase

	31 March 2022		31 March 2021	
Sensitivity level	0.5%increase	0.5%decrease	0.5%increase	0.5%decrease
Impact on defined benefit	0.64	(0.62)	0.83	(0.81)

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.

The table below summarises the maturity profile of the defined benefit obligation:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Within one year	66.29	60.75
Between one to three years	14.43	14.75
Between three to five years	4.03	4.13
Later than five years	10.08	13.81
	94.83	**93.44**

ii. Provident Fund:

The Company makes monthly contributions to provident fund managed by the Trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Trust was surrendered with effect from 31 December 2021.

The Company has contributed ₹10.51 million to provident fund (31 March 2021: ₹78.80 million) for the year.

(C) Other long term benefits (Compensated absences):

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Present value of obligation at the end of the year	35.79	39.55

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 33. Fair value measurements

(₹ in million)

	Notes	Level of hierarchy	Carrying Value as at		Fair Value as at	
			31 March 2022	31 March 2021	31 March 2022	31 March 2021
Financial assets						
FVOCI						
Investments in equity instruments (excluding investment in subsidiaries)	(d)	3	68.46	70.82	68.46	70.82
Amortised Cost						
Trade receivables	(a)		212.34	-	212.34	-
Loans	(b)		0.61	0.11	0.61	0.11
Cash and cash equivalents	(a)		225.05	403.27	225.05	403.27
Other financial assets	(a, b)		63.09	275.38	63.09	275.38
Total financial assets			**569.55**	**749.58**	**569.55**	**749.58**
Financial liabilities						
Amortised Cost						
Borrowings	(a, c)	3	4,990.00	4,930.00	4,994.76	4,744.97
Lease liabilities	(a)		79.79	107.11	-	-
Trade payables	(a)		88.68	159.01	88.68	159.01
Other financial liabilities	(a)		151.93	153.25	151.93	153.25
Total financial liabilities			**5,310.40**	**5,349.37**	**5,235.37**	**5,057.23**

The following methods / assumptions were used to estimate the fair values:

(a) 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.

(b) 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.

(c) The fair value of long-term borrowings is estimated by discounting future cash flows using adjusted discount rate of 6.50%-7.00% (31 March 2021: 6.75%) (applicable to instruments with similar terms, currency, credit risk and remaining maturities) to discount the future payouts.

(d) The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.

Reconciliation of Level 3 fair value measurement:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Opening balance	70.82	81.20
Loss recognized in other comprehensive income	(2.36)	(10.38)
Closing balance	**68.46**	**70.82**

Note 34. 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.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

The Company, through three layers of defense 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 with top management oversees the formulation and implementation of the risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

credit risk (see (i));

liquidity risk (see (ii)); and

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, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

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 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. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

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 an institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss with respect to trade receivables:

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 month (net of expected credit loss allowance), excluding receivable from group companies is ₹ Nil(31 March 2021: ₹ Nil).

Movement in the expected credit loss allowance of trade receivables are as follows:

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Balance at the beginning of the year	-	41.67
Provided during the year (net of reversal)	-	4.62
Amount written off *	-	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	(46.29)
Balance at the end of the year	**-**	**-**

* Assets 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 receivable, 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 provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed in Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by treasury department. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(₹ in million)

As at 31 March 2022	Carrying Amount	Contractual Cash flows (2)		
		Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings (1)	4,990.00	4,990.00	-	4,990.00
Lease liabilities	79.79	79.79	21.68	58.11
Trade payables	88.68	88.68	88.68	-
Other financial liabilities	151.93	151.93	151.93	-

(₹ in million)

As at 31 March 2021	Carrying Amount	Contractual Cash flows (2)		
		Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings (1)	4,930.00	4,930.00	730.00	4,200.00
Lease liabilities	107.11	107.11	29.05	78.06
Trade payables	159.01	159.01	159.01	-
Other financial liabilities	153.25	153.25	153.25	-

Note:

(1) Carrying amount presented as net of unamortised transaction cost.

(2) Contractual cash flows exclude interest payable.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD, CAD and Other.

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 taken, including but not limited to, entering into forward contract and interest rate swap.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

(₹ in million)

	As at 31 March 2022			As at 31 March 2021		
	USD	CAD	Others	USD	CAD	Others
Cash and cash equivalents	25.81	-	-	24.90	-	-
Trade receivables	43.83	1.69	-	-	-	-
Other financial assets	-	-	-	117.21	7.67	-
Trade payables	(0.91)	(0.02)	(0.03)	-	(0.52)	-
Net statement of financial position exposure	**68.73**	**1.67**	**(0.03)**	**142.11**	**7.15**	**-**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, CAD and other against all other currencies at year end would have affected the measurement of financial exposure 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.

(₹ in million)

	Profit or loss (before tax)	
	Strengthening	Weakening
31 March 2022		
USD (1% movement)	0.69	(0.69)
CAD (1% movement)	0.02	(0.02)
Other (1% movement)	-	-
31 March 2021		
USD (1% movement)	1.42	(1.42)
CAD (1% movement)	0.07	(0.07)
Other (1% movement)	-	-

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Fixed-rate borrowings	4,040.00	3,980.00
Floating rate borrowings	950.00	950.00
Total borrowings (gross of transaction cost)	**4,990.00**	**4,930.00**

The sensitivity analysis below has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit before tax for the year ended 31 March 2022 would decrease / increase by ₹2.38 million (31 March 2021: ₹0.49 million). This is mainly attributable to the Company's exposure to interest rates on its floating rate borrowings.

Note 35. Capital management

(a) Risk management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

'Net debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Net debt	4,764.95	4,526.73
Total equity	12,818.18	12,824.45
Net debt to equity ratio	**0.37**	**0.35**

(b) Dividends

(₹ in million)

	31 March 2022	**31 March 2021**
Equity shares		
Final dividend for the year ended 31 March 2021 of ₹5 per fully paid equity share (31 March 2021 : Nil)	796.41	-

In addition to the above dividends, since year end the Board of Directors has recommended a dividend of ₹5 per equity share of ₹1 each, fully paid up amounting to ₹796.41 million for the year ended 31 March 2022, subject to approval in the ensuing Annual General Meeting.

Note 36. Segment information

In accordance with Ind AS 108 "Operating Segments", segment information has been provided in the consolidated financial statements of the Group and therefore no separate disclosure on segment information is given in these standalone financial statements.

Note 37. Related Party Disclosures

1. Related parties where control exists or with whom transactions have taken place

a) Subsidiaries including step-down subsidiaries:

Jubilant Pharma Limited, Draximage Limited, Cyprus (liquidated w.e.f. 19 November 2020), Draximage Limited, Ireland (liquidated w.e.f. 30 June 2021), Jubilant DraxImage (USA) Inc., Jubilant DraxImage Inc., 6981364 Canada Inc. (merged with Jubilant DraxImage Inc. w.e.f. 31 May 2021), Draximage (UK) Limited, Jubilant Pharma Holdings Inc., Jubilant Clinsys Inc., Jubilant Cadista Pharmaceuticals Inc., Jubilant Life Sciences International Pte. Limited (up to 31 January 2021, refer note 31), Jubilant HollisterStier LLC, Jubilant Life Sciences (Shanghai) Limited (up to 31 January 2021, refer note 31), Jubilant Pharma NV, Jubilant Pharmaceuticals NV, PSI Supply NV, Jubilant Life Sciences (USA) Inc. (up to 31 January 2021, refer note 31), Jubilant Life Sciences (BVI) Limited (liquidated w.e.f. 7 February 2022), Jubilant Biosys Limited, Jubilant Discovery Services LLC, Jubilant Drug Development Pte. Limited (merged with Drug Discovery and Development Solutions Limited w.e.f. 31 March 2022), Jubilant Chemsys Limited (merged with Jubilant Biosys Limited w.e.f. 28 July 2020), Jubilant Clinsys Limited, Jubilant Infrastructure Limited (up to 31 January 2021, refer note 31), Jubilant First Trust Healthcare Limited, Jubilant Innovation Pte. Limited (struck off w.e.f. 10 January 2022), Jubilant Draximage Limited, Jubilant Innovation (India) Limited (liquidated w.e.f. 10 February 2021), Jubilant Innovation (USA) Inc., Jubilant HollisterStier Inc., Draxis Pharma LLC, Drug Discovery and Development Solutions Limited, TrialStat Solutions Inc., Vanthys Pharmaceutical Development Private Limited (liquidated w.e.f. 10 February 2021), Jubilant Generics Limited, Jubilant Life Sciences NV (up to 31 January 2021, refer note 31), Jubilant Pharma Australia Pty Limited, Jubilant Draximage Radiopharmacies Inc., Jubilant Pharma SA (Pty) Limited, Jubilant Therapeutics India Limited, Jubilant Therapeutics Inc., Jubilant Business Services Limited, Jubilant Episcribe LLC, Jubilant Epicore LLC, Jubilant Prodel LLC, Jubilant Epipad LLC, Jubilant Pharma UK Limited, Jubilant Pharma ME FZ-LLC (incorporated on 31 October 2021), Jubilant Ingrevia Limited (formerly Jubilant LSI Limited, incorporated on 23 October 2019) (up to 31 January 2021, refer note 31), Jubilant Biosys Innovative Research Services Pte. Limited (incorporated on 22 July 2020), Jubilant Employee Welfare Trust.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

b) **Other entities where control exists**:

Jubilant HollisterStier General Partnership Canada, Draximage General Partnership Canada (liquidated w.e.f. 31 May 2021) (controlled through step down subsidiaries).

c) **Key management personnel (KMP) and related entities:**

Mr. Hari S. Bhartia, Mr. S Sridhar, Ms. Sudha Pillai, Dr. Ashok Misra, Mr. Sushil Kumar Roongta, Mr. Vivek Mehra, Mr. Arun Seth, Mr. Arvind Chokhany (w.e.f. 1 April 2021), Mr. Arun Kumar Sharma (w.e.f. 1 April 2021), Mr. Alok Vaish (w.e.f. 1 April 2020 to 11 September 2020), Mr. Rajesh Kumar Srivastava (up to 5 February 2021), Mr. Anant Pande (up to 5 February 2021), Mr. Rajiv Shah.

Jubilant Enpro Private Limited, JOGPL Private Limited, Jubilant FoodWorks Limited, Jubilant Industries Limited, Jubilant Agri and Consumer Products Limited, Jubilant Consumer Private Limited, Jubilant Life Sciences International Pte. Limited (w.e.f. 1 February 2021, refer note 31), Jubilant Life Sciences (Shanghai) Limited (w.e.f. 1 February 2021, refer note 31), Jubilant Life Sciences (USA) Inc. (w.e.f. 1 February 2021, refer note 31), Jubilant Infrastructure Limited (w.e.f. 1 February 2021, refer note 31), Jubilant Life Sciences NV (w.e.f. 1 February 2021, refer note 31), Jubilant Ingrevia Limited (formerly Jubilant LSI Limited, incorporated on 23 October 2019) (w.e.f. 1 February 2021, refer note 31), SSB Consultants & Management Services Private Limited

Also refer note 31.

d) **Others:**

Vam Employees Provident Fund Trust (surrendered w.e.f. 31 December 2021), Jubilant Bhartia Foundation, Jubilant Pharmova Limited Officers Superannuation Fund (formerly VAM Officers Superannuation Fund).

2. Transactions with related parties

FY 2021-22 **(₹ in million)**

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
	Description of transactions					
1.	**Sales of services:**					
	Jubilant Cadista Pharmaceuticals Inc.	72.13				72.13
	Jubilant HollisterStier LLC	173.18				173.18
	Jubilant DraxImage Inc.	209.21				209.21
	Jubilant HollisterStier General Partnership	22.99				22.99
	Jubilant Generics Limited	150.74				150.74
	Jubilant Draximage Radiopharmacies Inc.	22.38				22.38
	Jubilant Biosys Limited	55.90				55.90
	Jubilant Ingrevia Limited		128.91			128.91
	Jubilant FoodWorks Limited		89.36			89.36
	Jubilant Agri and Consumer Products Limited		20.62			20.62
		706.53	**238.89**	**-**	**-**	**945.42**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2021-22 (₹ in million)

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
2.	**Rental and other income:**					
	Jubilant Generics Limited	80.22				80.22
	Jubilant Business Services Limited	23.85				23.85
	Jubilant Biosys Limited	165.98				165.98
	Jubilant Ingrevia Limited		20.01			20.01
	Jubilant Enpro Private Limited		22.40			22.40
	JOGPL Private Limited		0.89			0.89
	Jubilant Agri and Consumer Products Limited		13.48			13.48
		270.05	**56.78**	-	-	**326.83**
3.	**Interest income:**					
	Jubilant First Trust Healthcare Limited	0.02				0.02
		0.02	-	-	-	**0.02**
4.	**Dividend income:**					
	Jubilant Pharma Limited	971.11				971.11
		971.11	-	-	-	**971.11**
5.	**Purchase of services:**					
	Jubilant Business Services Limited	5.29				5.29
		5.29	-	-	-	**5.29**
6.	**Recovery of expenses:**					
	Jubilant Employee Welfare Trust	9.22				9.22
	Jubilant FoodWorks Limited		0.06			0.06
	Jubilant Ingrevia Limited		0.97			0.97
		9.22	**1.03**	-	-	**10.25**
7.	**Reimbursement of expenses:**					
	Jubilant Ingrevia Limited		42.09			42.09
		-	**42.09**	-	-	**42.09**
8.	**Remuneration (including perquisites)*:**					
	Mr. Hari S. Bhartia			121.67		121.67
	Mr. Arvind Chokhany			39.93		39.93
	Mr. Arun Kumar Sharma			23.91		23.91
	Mr. Rajiv Shah			12.18		12.18
		-	-	**197.69**	-	**197.69**
9.	**Sitting fees and director fees:**					
	Dr. Ashok Misra			0.84		0.84
	Mr. S Sridhar			0.94		0.94
	Ms. Sudha Pillai			1.16		1.16
	Mr. Sushil Kumar Roongta			0.86		0.86
	Mr. Vivek Mehra			1.00		1.00
	Mr. Arun Seth			0.51		0.51
		-	-	**5.31**	-	**5.31**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2021-22 **(₹ in million)**

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
10.	**Commission:**					
	Dr. Ashok Misra			1.00		1.00
	Mr. S Sridhar			1.00		1.00
	Ms. Sudha Pillai			1.00		1.00
	Mr. Sushil Kumar Roongta			1.00		1.00
	Mr. Vivek Mehra			1.00		1.00
	Mr. Arun Seth			1.00		1.00
		-	-	**6.00**	-	**6.00**
11.	**Company's contribution to provident fund trust:**					
	Vam Employee Provident Fund Trust				10.51	10.51
		-	-	-	**10.51**	**10.51**
12.	**Lease payments:**					
	Jubilant Ingrevia Limited		23.34			23.34
		-	**23.34**	-	-	**23.34**
13.	**Donation:**					
	Jubilant Bhartia Foundation				50.40	50.40
		-	-	-	**50.40**	**50.40**
14.	**Interest expenses on borrowings:**					
	Jubilant Generics Limited	197.38				197.38
	Jubilant Biosys Limited	47.26				47.26
	Jubilant Employee Welfare Trust	52.39				52.39
		297.03	-	-	-	**297.03**
15.	**Borrowings taken:**					
	Jubilant Biosys Limited	60.00				60.00
		60.00	-	-	-	**60.00**
16.	**Loans given:**					
	Jubilant First Trust Healthcare Limited	0.50				0.50
		0.50	-	-	-	**0.50**
17.	Borrowings from Jubilant Biosys Limited amounting to ₹730 million was extended for a period of 5 years during the current year.					
	Amounts outstanding					
18.	**Borrowings payable:**					
	Jubilant Generics Limited	3,250.00				3,250.00
	Jubilant Employee Welfare Trust	950.00				950.00
	Jubilant Biosys Limited	790.00				790.00
		4,990.00	-	-	-	**4,990.00**
19.	**Interest payable:**					
	Jubilant Generics Limited	16.77				16.77
	Jubilant Employee Welfare Trust	10.05				10.05
		26.82	-	-	-	**26.82**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2021-22 (₹ in million)

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
20.	**Commission payable #:**					
	Mr. Hari S. Bhartia			10.20		10.20
	Dr. Ashok Misra			1.00		1.00
	Mr. S Sridhar			1.00		1.00
	Ms. Sudha Pillai			1.00		1.00
	Mr. Sushil Kumar Roongta			1.00		1.00
	Mr. Vivek Mehra			1.00		1.00
	Mr. Arun Seth			1.00		1.00
		-	-	**16.20**	-	**16.20**
21.	**Trade payables:**					
	Jubilant Business Services Limited	1.18				1.18
	Jubilant Cadista Pharmaceuticals Inc.	0.28				0.28
	Jubilant Generics Limited	0.71				0.71
	Jubilant DraxImage Inc.	0.02				0.02
	Jubilant Biosys Limited	0.46				0.46
	Jubilant Ingrevia Limited		23.74			23.74
		2.65	**23.74**	-	-	**26.39**
22.	**Loans recoverable:**					
	Jubilant First Trust Healthcare Limited	0.50				0.50
		0.50	-	-	-	**0.50**
23.	**Interest recoverable:**					
	Jubilant First Trust Healthcare Limited	0.02				0.02
		0.02	-	-	-	**0.02**
24.	**Trade receivables:**					
	Jubilant Business Services Limited	3.94				3.94
	Jubilant Pharma Holdings Inc.	0.48				0.48
	Jubilant Draximage Radiopharmacies Inc	7.49				7.49
	Jubilant Hollister Stier LLC	11.89				11.89
	Jubilant HollisterStier General Partnership	1.69				1.69
	Jubilant Generics Limited	50.02				50.02
	Jubilant DraxImage Inc.	23.96				23.96
	Jubilant Biosys Limited	32.66				32.66
	Jubilant Clinsys Limited	0.01				0.01
	Jubilant Employee Welfare Trust	0.96				0.96
	Jubilant Agri and Consumer Products Limited		18.14			18.14
	Jubilant FoodWorks Limited		9.11			9.11
	Jubilant Enpro Private Limited		12.06			12.06
	Jubilant Ingrevia Limited		39.93			39.93
		133.10	**79.24**	-	-	**212.34**
25.	**Deposits recoverable:**					
	Jubilant Enpro Private Limited		0.42			0.42
		-	**0.42**	-	-	**0.42**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 (₹ in million)

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
	Description of transactions					
1.	**Sales of goods and services:**					
	Jubilant Life Sciences (Shanghai) Limited	1,590.38				1,590.38
	Jubilant Life Sciences (USA) Inc.	1,059.35				1,059.35
	Jubilant Biosys Limited	7.95				7.95
	Jubilant Infrastructure Limited	5.69				5.69
	Jubilant Life Sciences NV	2,206.12				2,206.12
	Jubilant Generics Limited	46.19				46.19
	Jubilant Industries Limited		5.31			5.31
	Jubilant FoodWorks Limited		11.19			11.19
	Jubilant Agri and Consumer Products Limited		113.83			113.83
		4,915.68	**130.33**	**-**	**-**	**5,046.01**
2.	**Rental and other income:**					
	Jubilant Biosys Limited	28.40				28.40
	Jubilant Generics Limited	134.75				134.75
	Jubilant HollisterStier LLC	31.62				31.62
	Jubilant Cadista Pharmaceuticals Inc.	15.92				15.92
	Jubilant Business Services Limited	26.74				26.74
	Jubilant DraxImage Inc.	11.62				11.62
	Jubilant HollisterStier General Partnership	4.80				4.80
	Jubilant Therapeutics India Limited	0.48				0.48
	Jubilant Clinsys Limited	0.01				0.01
	Jubilant Draximage Limited	0.01				0.01
	Jubilant First Trust Healthcare Limited	0.01				0.01
	Jubilant Infrastructure Limited	0.01				0.01
	Jubilant Pharma Holdings Inc.	0.47				0.47
	Jubilant Draximage Radiopharmacies Inc.	23.29				23.29
	Jubilant Ingrevia Limited		13.26			13.26
	Jubilant Enpro Private Limited		20.55			20.55
	JOGPL Private Limited		1.13			1.13
	Jubilant FoodWorks Limited		18.49			18.49
	Jubilant Industries Limited		0.15			0.15
	Jubilant Agri and Consumer Products Limited		39.57			39.57
	Jubilant Consumer Private Limited		1.92			1.92
		278.13	**95.07**	**-**	**-**	**373.20**
3.	**Interest income:**					
	Drug Discovery and Development Solutions Limited	2.42				2.42
		2.42	**-**	**-**	**-**	**2.42**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 **(₹ in million)**

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
4.	**Sale of property, plant and equipment:**					
	Jubilant Generics Limited	3.73				3.73
		3.73	-	-	-	**3.73**
5.	**Purchase of goods and services:**					
	Jubilant Infrastructure Limited	799.16				799.16
	Jubilant Biosys Limited	0.10				0.10
	Jubilant Industries Limited		20.85			20.85
	Jubilant Agri and Consumer Products Limited		98.30			98.30
		799.26	**119.15**	-	-	**918.41**
6.	**Purchase of duty credit scrips:**					
	Jubilant Generics Limited	5.00				5.00
		5.00	-	-	-	**5.00**
7.	**Recovery of expenses:**					
	Jubilant Cadista Pharmaceuticals Inc.	83.97				83.97
	Jubilant HollisterStier LLC	122.01				122.01
	Jubilant DraxImage Inc.	55.82				55.82
	Jubilant Draximage Radiopharmacies Inc.	90.76				90.76
	Jubilant HollisterStier General Partnership	16.02				16.02
	Jubilant Biosys Limited	133.71				133.71
	Jubilant Generics Limited	123.97				123.97
	Jubilant Infrastructure Limited	0.25				0.25
	Jubilant Life Sciences NV	5.69				5.69
	Jubilant Pharma Holdings Inc.	2.68				2.68
	Jubilant Employee Welfare Trust	48.87				48.87
	SSB Consultants & Management Services Private Limited		0.89			0.89
	Jubilant Agri and Consumer Products Limited		15.75			15.75
		683.75	**16.64**	-	-	**700.39**
8.	**Reimbursement of expenses:**					
	Jubilant Life Sciences NV	1.59				1.59
	Jubilant Generics Limited	5.24				5.24
	Jubilant Infrastructure Limited	0.26				0.26
	Jubilant Life Sciences (USA) Inc.	10.93				10.93
	Jubilant Ingrevia Limited		4.91			4.91
	Jubilant Enpro Private Limited		0.96			0.96
		18.02	**5.87**	-	-	**23.89**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 (₹ in million)

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
9.	**Remuneration (including perquisites)*:**					
	Mr. Hari S. Bhartia			121.80		121.80
	Mr. Alok Vaish			15.93		15.93
	Mr. Anant Pande			22.37		22.37
	Mr. Rajesh Kumar Srivastava			40.76		40.76
	Mr. Rajiv Shah			10.93		10.93
		-	-	**211.79**	-	**211.79**
10.	**Sitting fees:**					
	Dr. Ashok Misra			0.40		0.40
	Mr. S Sridhar			0.47		0.47
	Ms. Sudha Pillai			0.50		0.50
	Mr. Sushil Kumar Roongta			0.44		0.44
	Mr. Vivek Mehra			0.45		0.45
	Mr. Arun Seth			0.32		0.32
		-	-	**2.58**	-	**2.58**
11.	**Commission:**					
	Dr. Ashok Misra			1.00		1.00
	Mr. S Sridhar			1.00		1.00
	Ms. Sudha Pillai			1.00		1.00
	Mr. Sushil Kumar Roongta			1.00		1.00
	Mr. Vivek Mehra			1.00		1.00
	Mr. Arun Seth			1.00		1.00
		-	-	**6.00**	-	**6.00**
12.	**Company's contribution to provident fund trust:**					
	Vam Employee Provident Fund Trust				78.80	78.80
		-	-	-	**78.80**	**78.80**
13.	**Company's contribution to superannuation fund:**					
	Jubilant Pharmova Limited Officers Superannuation Fund (formerly VAM Officers Superannuation Fund)				2.91	2.91
		-	-	-	**2.91**	**2.91**
14.	**Lease payments:**					
	Jubilant Biosys Limited	0.06				0.06
	Jubilant Infrastructure Limited	63.71				63.71
	Jubilant Agri and Consumer Products Limited		0.13			0.13
	Jubilant Ingrevia Limited		3.89			3.89
		63.77	**4.02**	-	-	**67.79**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 (₹ in million)

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
15.	**Donation:**					
	Jubilant Bhartia Foundation				36.85	36.85
		-	**-**	**-**	**36.85**	**36.85**
16.	**Interest expenses on borrowings:**					
	Jubilant Generics Limited	186.85				186.85
	Jubilant Infrastructure Limited	135.57				135.57
	Jubilant Employee Welfare Trust	11.02				11.02
	Jubilant Biosys Limited	40.14				40.14
		373.58	**-**	**-**	**-**	**373.58**
17.	**Purchase of Biosys Preference Shares:**					
	Jubilant Drug Development PTE Limited	157.77				157.77
		157.77	**-**	**-**	**-**	**157.77**
18.	**Loans received back:**					
	Drug Discovery and Development Solutions Limited	36.47				36.47
		36.47	**-**	**-**	**-**	**36.47**
19.	**Borrowings taken:**					
	Jubilant Infrastructure Limited	167.40				167.40
	Jubilant Employee Welfare Trust	950.00				950.00
		1,117.40	**-**	**-**	**-**	**1,117.40**
20.	**Borrowings repaid:**					
	Jubilant Infrastructure Limited	997.40				997.40
		997.40	**-**	**-**	**-**	**997.40**
	Amounts outstanding					
21.	**Borrowings payable:**					
	Jubilant Generics Limited	3,250.00				3,250.00
	Jubilant Employee Welfare Trust	950.00				950.00
	Jubilant Biosys Limited	730.00				730.00
		4,930.00	**-**	**-**	**-**	**4,930.00**
22.	**Interest payable on borrowings:**					
	Jubilant Generics Limited	14.04				14.04
	Jubilant Employee Welfare Trust	10.20				10.20
		24.24	**-**	**-**	**-**	**24.24**
23.	**Commission payable #:**					
	Mr. Hari S. Bhartia			33.00		33.00
	Dr. Ashok Misra			1.00		1.00
	Mr. S Sridhar			1.00		1.00
	Ms. Sudha Pillai			1.00		1.00
	Mr. Sushil Kumar Roongta			1.00		1.00
	Mr. Vivek Mehra			1.00		1.00
	Mr. Arun Seth			1.00		1.00
		-	**-**	**39.00**	**-**	**39.00**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 (₹ in million)

Sr. No.	Particulars	Subsidiaries	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
24.	**Trade payables:**					
	Jubilant Biosys Limited	2.95				2.95
	Jubilant DraxImage Inc.	0.52				0.52
	Jubilant Generics Limited	0.71				0.71
	Jubilant Ingrevia Limited		119.01			119.01
		4.18	**119.01**	**-**	**-**	**123.19**
25.	**Other payables:**					
	JOGPL Private Limited		1.44			1.44
	Vam Employees Provident Fund Trust				1.18	1.18
		-	**1.44**	**-**	**1.18**	**2.62**
26.	**Deposits recoverable:**					
	Jubilant Enpro Private Limited		0.42			0.42
		-	**0.42**	**-**	**-**	**0.42**
27.	**Other receivables:**					
	Jubilant Cadista Pharmaceuticals Inc.	4.90				4.90
	Jubilant HollisterStier LLC	54.43				54.43
	Jubilant HollisterStier General Partnership	7.67				7.67
	Jubilant Business Services Limited	4.10				4.10
	Jubilant Draximage Radiopharmacies Inc.	57.43				57.43
	Jubilant Generics Limited	96.93				96.93
	Jubilant Pharma Holdings Inc.	0.46				0.46
	Jubilant Clinsys Limited	0.01				0.01
	Jubilant Employee Welfare Trust	15.87				15.87
	Jubilant Agri and Consumer Products Limited		4.08			4.08
	Jubilant FoodWorks Limited		9.63			9.63
	Jubilant Enpro Private Limited		2.49			2.49
		241.80	**16.20**	**-**	**-**	**258.00**
28.	Refer note 31 for transactions pursuant to the Composite Scheme.					

* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

Breakup of remuneration to key management personnel were as follows:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Short term employment benefits	191.61	205.15
Post employment benefits	6.08	6.64
	197.69	**211.79**

\# Commission payable is subject to the approval of shareholders in the annual general meeting.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 38. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt#:

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Income Tax	686.12	686.12
Others	2.30	2.40

#Excluding claims in respect of business transferred to Jubilant Ingrevia Limited pursuant to the Composite Scheme though the claims may be continuing in the name of the Company (refer note 31).

The above does not include all other obligations resulting from claims, legal pronouncements having financial impact in respect of which the Company generally performs the assessment based on the external legal opinion and the amount of which cannot be reliably estimated.

Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various stages/ forums.

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of above matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

Note 39. Commitments as at year end

Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹8.55 million (31 March 2021: ₹15.41 million) for property, plant and equipment.

Note 40. Leases

The details of the right-of-use assets held by the Company is as follows:

(₹ in million)

	Depreciation charge for the year ended		Net carrying amount as at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Land	2.57	36.20	165.30	167.87
Buildings	30.42	16.21	70.79	101.21
Plant and equipment	-	4.37	-	-
Vehicles	1.08	14.92	2.05	1.16
Total	**34.07**	**71.70**	**238.14**	**270.24**

Additions to the right-of-use assets during the year ended 31 March 2022 were ₹2.04 million (31 March 2021: ₹97.75 million).

Amount recognised in Statement of Profit and Loss:

(₹ in million)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on lease liabilities	8.52	36.95
Rental expense relating to short-term leases	2.22	40.14
	10.74	**77.09**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Amount recognised in Statement of Cash Flows:

(₹ in million)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Total cash outflow for leases	40.10	118.92
	40.10	**118.92**

Note 41. Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans to subsidiary companies [refer note 37]:

(₹ in million)

	Purpose/Term of loan	As at 31 March 2022	As at 31 March 2021
Drug Discovery and Development Solutions Limited (denominated in USD)			
Outstanding as at the beginning of year	General business purpose and interest rate upto 7% p.a.	-	37.83
Received back during the year		-	(36.47)
Currency translation adjustment		-	(1.36)
Outstanding as at the end of year		-	-
Maximum balance outstanding		-	37.83
Jubilant First Trust Healthcare Limited (denominated in INR)			
Outstanding as at the beginning of year	General business purpose and interest rate upto 7% p.a.	-	-
Given during the year		0.50	-
Outstanding as at the end of year		0.50	-
Maximum balance outstanding		0.50	-

Note 42. Corporate Social Responsibility (CSR) expense

(₹ in million)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount required to be spent by the Company during the year	50.36	56.66
Amount of expenditure incurred (1)		
a) On construction / acquisition of any asset	-	-
b) On purposes other than (a) above	50.40	58.30
Shortfall at the end of the year		
Total of previous years shortfall		
Reason for shortfall		

(1) Included in donation – refer note 27 and 37

The Company's CSR activities primarily focus on Health, Education and Livelihood to improve the quality of the life of the community.

Note 43. Government grant recoverable ₹ Nil (31 March 2021: ₹ Nil) and government grant recognized ₹ Nil (31 March 2021: ₹153.13 million) in the Statement of Profit and Loss.

Note 44. During the year, finance costs amounting to ₹ Nil (31 March 2021: ₹24.54 million) has been capitalized in property, plant and equipment, calculated using capitalisation rate of Nil % (31 March 2021: 6.80%).

Note 45. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during

Notes to the financial statements for the year ended 31 March 2022 (Continued)

the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 46. Research and development expenses (excluding finance cost, depreciation and amortisation) comprises as mentioned here under:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Cost of material consumed	-	13.58
Employee benefits expense	-	115.82
Utilities- power	-	3.16
Other expenses	-	23.20
	-	**155.76**

Note 47. Employee Stock Option Scheme

The Company has a stock option plan in place namely "JLL Employees Stock Option Plan 2018" ("Plan 2018").

The Nomination, Remuneration and Compensation Committee ('Committee') of the Board of Directors which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plan.

Under Plan 2018, up to 1,500,000 Stock Options can be issued to eligible directors (other than promoter directors and independent directors) and other specified categories of employees of the Company / subsidiaries. Exercise price shall not be higher than the market price (i.e. latest available closing price on a recognized 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. As per the SEBI guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest.

Under Plan 2018, each option, upon vesting, shall entitle the holder to acquire one equity share of ₹1 each. 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. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

Vesting schedule:

Sr. No	Exercise price ₹714.85 per option		Exercise price ₹1.00 per option	
	% of options scheduled to vest	**Vesting date**	**% of options scheduled to vest**	**Vesting date**
1	20	1 year from grant date	100	3 years from grant date
2	30	2 years from grant date	-	-
3	50	3 years from grant date	-	-

In 2008-09, Jubilant Employees Welfare Trust ('Trust') was constituted for the purpose of acquisition of equity shares of the Company from the secondary market or subscription of shares from the Company, to hold the shares and to allocate/transfer these shares to eligible employees of the Company/subsidiaries from time to time on the terms and conditions specified under Plan 2018.

During the year ended 31 March 2021, Jubilant Employees Welfare Trust (the "Trust") purchased 107,140 equity shares of the Company from the open market, out of which Nil equity shares were transferred to the employees on exercise of Options.

The movement in the number of equity shares held by trust:

	As at	
	31 March 2022	**31 March 2021**
At the commencement of the year	107,140	-
Purchased during the year	-	107,140
At the end of the year	**107,140**	**107,140**

Notes to the financial statements for the year ended 31 March 2022 (Continued)

The movement in the stock options under "Plan 2018" during the year is set out below:

	For the year ended			
	31 March 2022		31 March 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	35,734	355.61	-	-
Forfeited/lapsed during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	35,734	355.61	-	-
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 2018 was ₹518.43 per option. The fair value at grant date is determined using the Black-Scholes-Merton 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:

	Plan 2018
Expected volatility	43.72% - 45.88%
Risk free interest rate	5.36% - 6.21%
Exercise price (₹)	1.00 - 714.85
Expected dividend yield	0.52%
Life of options (years)	3.50 - 5.50

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	31 March 2022			31 March 2021		
	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)
Plan 2018	17,751	4.46	714.85	-	-	-
Plan 2018	17,983	2.81	1.00	-	-	-

Note 48. During the year ended 31 March 2020, the Company transferred its India Branded Pharmaceuticals (IBP) Business to Jubilant Generics Limited, a wholly owned indirect subsidiary in India, against a consideration of ₹1,285.00 million, which was received during the year ended 31 March 2021.

Note 49. (a) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

(i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or

(ii) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 50. Ratios:

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.27	0.55	131%	Loan repayable on demand from a related party was renewed for a period of more than 1 year during the current year.
Debt-Equity ratio	Total debt = Non-current borrowings (gross of transaction costs) + current borrowings	Total equity	0.39	0.38	1%	
Debt service coverage ratio	Earnings for debt service = Profit before tax + depreciation and amortisation expense + finance costs + exceptional items	Debt service = Finance costs + scheduled principal repayments (excluding prepayments) during the year for non-current borrowings (including current maturities) and lease liabilities	3.89	0.73	(434%)	Refer note (a)
Return on equity ratio	Profit for the year	Average total equity	6.12%	11.03%	(44%)	Refer note (a)
Inventory turnover ratio	Revenue from operations	Average inventory	-	8.26	(100%)	Refer note (a)
Trade receivable turnover ratio	Revenue from operations	Average trade receivable	8.26	12.74	(35%)	Refer note (a)
Trade payable turnover ratio	Net purchases = Gross purchases - purchase return + other expenses net of non cash expenses and donations	Average trade payables	3.25	5.14	(37%)	Refer note (a)
Net capital turnover ratio	Revenue from operations	Average working capital = Average (current assets – current liabilities)	(4.02)	18.49	(122%)	Refer note (a)
Net profit ratio	Profit for the year	Revenue from operations	89.47%	7.92%	1030%	During the current year the company received dividend from a subsidiary amounting to ₹971.11 million. Also refer note (a)
Return on capital employed	Earnings before interest and taxes = Profit before tax + finance costs + exceptional items	Average capital employed = Average (total equity + borrowings (gross of transaction costs) + deferred tax liabilities - deferred tax assets)	6.33%	11.77%	(46%)	Refer note (a)
Return on investment	Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income	Average investments	5.89%	(0.06%)	(9769%)	During the current year the company received dividend from a subsidiary amounting to ₹971.11 million. Further, during the current year the fair value loss on investment in equity shares measured at FVOCI is lower as compared to the previous year.

Note: (a) Significant change in ratio is on account of demerger of the Life Science Ingredients business of the Company into Jubilant Ingrevia Limited with effect from 1 February 2021 (refer note 31).

Notes to the financial statements for the year ended 31 March 2022 (Continued)

Note 51. Earnings per share

		For the year ended	
		31 March 2022	**31 March 2021**
Profit for basic and diluted earnings per share of ₹1 each	**₹ in million**	**785.03**	**2,144.75**
Weighted average number of equity shares used in computing earnings per share			
For basic earnings per share	Nos.	**159,281,139**	**159,281,139**
For diluted earnings per share:			
No. of shares for basic earnings per share	Nos.	159,281,139	159,281,139
Add: weighted average outstanding options related to employee stock options.	Nos.	-	-
No. of shares for diluted earnings per share	Nos.	**159,281,139**	**159,281,139**
Earnings per share (face value of ₹ 1 each)			
Basic	₹	4.93	13.47
Diluted	₹	4.93	13.47

Note 52. Figures for the year ended 31 March 2022 are not comparable with previous year since the standalone financial statements include figures of Life Science Ingredients business upto 31 January 2021 (refer note 31). Previous year figures have been regrouped/ reclassified to conform to the current year's classification.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

Place: Delhi
Date: 27 May 2022

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Noida
Date: 27 May 2022

Independent Auditor's Report

To the Members of Jubilant Pharmova Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Jubilant Pharmova Limited (hereinafter referred to as the "Holding Company or the Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

Impairment of goodwill

See note 4a to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
As at 31 March 2022, the goodwill represents 22% of the total assets. The Group's process of assessment of impairment of goodwill is complex as it involves significant judgement in determining the appropriate allocation of the goodwill to different cash generating units and assumptions used to estimate the recoverable amount. The recoverable amount of the cash generating units has been derived from discounted forecast cash flow model which uses several key assumptions, including estimates of future sales volumes and prices, operating costs, terminal value growth rates and the discount rate. Given the significant level of judgement involved in making the above estimates and the quantitative significance, we have determined this to be a key audit matter	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of accounting policy for impairment of goodwill as per the relevant accounting standard. • Examined the appropriateness of allocation of goodwill to various cash generating units. • Tested the design and implementation of key controls in determining the carrying amount and the recoverable amount of the cash generating unit to which the goodwill is allocated. • Evaluated the impairment model which is based on discounted cash flows. This included evaluation of the appropriateness of the assumptions applied to key inputs such as revenue projections, discount rate and terminal growth rates based on our knowledge of the Group and the industry with the assistance of valuation specialists. • Examined the causes of differences between past cash flow projections and actual cash flows. • Performed sensitivity analysis of the key assumptions used to determine which changes to assumptions would change the outcome of impairment assessment. • Compared the recoverable amount of the cash generating unit to the carrying amount to determine impairment loss, if any. • Assessed the adequacy of related disclosures in the consolidated financial statements.

Impairment of intangible assets under development See note 4 and 43 to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group's assessment process of impairment of intangible assets under development is complex as it involves significant judgement in estimating the expected cost to complete the development and estimating the recoverable amount which primarily involves revenue growth and discount rate. Given the significant level of judgement involved in making the above estimates, we have determined this to be a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of accounting policy for impairment of intangible assets under development as per relevant accounting standard. • Tested the design and implementation of key controls with respect to impairment assessment of intangible assets under development. • Tested the operating effectiveness of Key controls with respect to impairment assessment of intangible assets under development in relation to subsidiary incorporated in India. • Evaluated the impairment model which is based on discounted cash flows. This included evaluating the appropriateness of the assumptions used in key inputs such as those relating to forecast revenue, gross margin and discount rate based on our knowledge of the Group and the industry with the assistance of valuation specialists, wherever required. We also interviewed key research and development personnel and commercial personnel to evaluate the appropriateness of assumptions used. • Performed sensitivity analysis of the key assumptions used to determine which changes to assumptions would change the outcome of impairment assessment. • Compared the recoverable amount of the intangible assets under development with its carrying amount to determine impairment loss, if any. • Assessed the adequacy of related disclosures in the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate, are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate, are responsible for overseeing the financial reporting process of each company.

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of Rs. 99.83 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of an associate, whose financial statements/financial information have not been audited by us or by other auditor. These unaudited financial statements/ financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 (A) 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 purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

   a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its associate. Refer Note 38 to the consolidated financial statements.

   b) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.

   c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2022.

   d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

      (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

      - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
      - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The final dividend paid by the Company incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 35 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year 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.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid to any director by the Holding Company and its subsidiary companies incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.101248W/ W-100022

Manish Gupta
Partner
Membership No. 095037
UDIN: 22095037AJSRQJ3206

Place: Delhi
Date: 27 May 2022

Annexure A to the Independent Auditor's Report on Consolidated Financial Statements

(Referred to in our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Jubilant First Trust Healthcare Limited	U74110UP2006PLC035993	Subsidiary	xvii
2	Jubilant Therapeutics India Limited	U74994UP2019PLC114901	Subsidiary	xvii
3	Jubilant Draximage Limited	U74900UP2009FLC038194	Subsidiary	ix(d), xvii and xix

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

Manish Gupta
Partner
Membership No. 095037
UDIN: 22095037AJSRQJ3206

Place: Delhi
Date: 27 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Jubilant Pharmova Limited for the period ended 31 March 2022

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Jubilant Pharmova Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

Manish Gupta
Partner
Membership No. 095037
UDIN: 22095037AJSRQJ3206

Place: Delhi
Date: 27 May 2022

Consolidated Balance Sheet as at 31 March 2022

(₹ in million)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	22,012.56	20,079.24
Capital work-in-progress	3	2,918.26	2,777.80
Goodwill	4	22,427.54	21,299.62
Other intangible assets	4	1,285.84	1,813.72
Intangible assets under development	4	7,977.39	6,192.14
Rights-of-use assets	40	2,980.17	2,894.89
Investment in associate	5(a)	1,951.07	1,981.40
Financial assets			
i. Investments	5(b)	434.93	428.20
ii. Loans	6	5.50	6.32
iii. Other financial assets	7	180.42	144.27
Deferred tax assets (net)	8	1,612.71	1,547.12
Income tax assets (net)		114.27	82.40
Other non-current assets	9	916.09	408.97
Total non-current assets		**64,816.75**	**59,656.09**
Current assets			
Inventories	10	12,548.69	11,293.81
Financial assets			
i. Trade receivables	11	9,279.94	8,199.04
ii. Cash and cash equivalents	12(a)	9,838.19	5,019.57
iii. Other bank balances	12(b)	4.18	1,693.60
iv. Loans	6	14.00	11.56
v. Other financial assets	7	877.38	936.91
Income tax assets (net)		1.84	236.11
Other current assets	13	2,527.70	2,134.41
Total current assets		**35,091.92**	**29,525.01**
Total assets		**99,908.67**	**89,181.10**

Consolidated Balance Sheet as at 31 March 2022 (Continued)

(₹ in million)

	Notes	As at 31 March 2022	As at 31 March 2021
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	159.19	159.19
Other equity		53,026.44	47,255.67
Equity attributable to owners of the Company		**53,185.63**	**47,414.86**
Non-controlling interest		(21.63)	0.31
Total equity		**53,164.00**	**47,415.17**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	16(A)	24,642.42	25,639.72
ii. Lease liabilities		2,121.93	1,954.56
iii. Other financial liabilities	19	5.04	-
Provisions	17	956.66	940.09
Deferred tax liabilities (net)	8	3,029.65	2,473.02
Other non-current liabilities	20	72.96	270.21
Total non-current liabilities		**30,828.66**	**31,277.60**
Current liabilities			
Financial liabilities			
i. Borrowings	16(B)	4,633.74	200.01
ii. Lease liabilities		521.93	501.34
iii. Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		62.86	22.40
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,614.54	5,182.44
iv. Other financial liabilities	19	2,350.85	2,206.50
Other current liabilities	20	1,518.64	1,009.47
Provisions	17	868.39	898.06
Current tax liabilities (net)		345.06	468.11
Total current liabilities		**15,916.01**	**10,488.33**
Total liabilities		**46,744.67**	**41,765.93**
Total equity and liabilities		**99,908.67**	**89,181.10**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

Place: Delhi
Date: 27 May 2022

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Noida
Date: 27 May 2022

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

(₹ in million)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
CONTINUING OPERATIONS			
Revenue from operations	21	61,301.64	60,985.35
Other income	22	112.88	176.38
Total income		**61,414.52**	**61,161.73**
Expenses			
Cost of materials consumed	23	13,487.04	13,487.50
Purchases of stock-in-trade		2,016.22	1,676.29
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(623.24)	196.34
Employee benefits expense	25	20,433.94	19,228.77
Finance costs	26	1,454.86	1,840.97
Depreciation, amortisation and impairment expense	27	3,817.04	3,489.47
Other expenses	28	14,424.36	12,431.84
Total expenses		**55,010.22**	**52,351.18**
Profit before share of profit of an associate and exceptional items		**6,404.30**	**8,810.55**
Share of (loss)/profit of an associate	5(a)	(99.83)	112.52
Profit before exceptional items and tax		**6,304.47**	**8,923.07**
Exceptional items	45	-	212.31
Profit before tax		**6,304.47**	**8,710.76**
Tax expense	29		
- Current tax		1,725.52	2,699.09
- Deferred tax charge		448.79	273.09
Total tax expense		**2,174.31**	**2,972.18**
Profit for the year from continuing operations		**4,130.16**	**5,738.58**
DISCONTINUED OPERATIONS			
Profit from discontinued operations	31	-	3,409.34
Tax expense of discontinued operations	31	-	791.81
Profit after tax of discontinued operations		**-**	**2,617.53**
Profit for the year		**4,130.16**	**8,356.11**
Other comprehensive income/(loss)			
(a) In respect of continuing operations			
Items that will not be reclassified to profit or loss			
Changes in fair value of equity investments which are classified at fair value through other comprehensive income (OCI)		409.12	(16.29)
Remeasurement of defined benefit obligations		14.75	(0.42)
Income tax relating to items that will not be reclassified to profit or loss	29	(105.52)	(0.15)
		318.35	**(16.86)**
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		2,121.25	1,659.04
Income tax relating to items that will be reclassified to profit or loss	29	-	114.17
		2,121.25	**1,773.21**
(b) In respect of discontinued operations	31		
Items that will not be reclassified to profit or loss			
Changes in fair value of equity investments which are classified at fair value through OCI		-	6.75
Remeasurement of defined benefit obligations		-	(11.02)
Income tax relating to items that will not be reclassified to profit or loss	29	-	3.78
		-	**(0.49)**
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		-	(13.14)
Income tax relating to items that will be reclassified to profit or loss	29	-	-
		-	**(13.14)**
Other comprehensive income for the year, net of tax		**2,439.60**	**1,742.72**
Total comprehensive income for the year		**6,569.76**	**10,098.83**

Consolidated Statement of Profit and Loss for the year ended 31 March 2022 (Continued)

(₹ in million)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to:			
Owners of the Company		4,139.36	8,358.69
Non-controlling interests		(9.20)	(2.58)
		4,130.16	**8,356.11**
Other comprehensive income/(loss) attributable to:			
Owners of the Company		2,439.81	1,742.80
Non-controlling interests		(0.21)	(0.08)
		2,439.60	**1,742.72**
Total comprehensive income attributable to:			
Owners of the Company		6,579.17	10,101.49
Non-controlling interests		(9.41)	(2.66)
		6,569.76	**10,098.83**
Total comprehensive income attributable to owners of the Company from:			
Continuing operations		6,579.17	7,497.59
Discontinued operations		-	2,603.90
		6,579.17	**10,101.49**
Earnings per equity share of ₹1 each (for continuing operations)	50		
Basic (₹)		26.00	36.05
Diluted (₹)		26.00	36.05
Earnings per equity share of ₹1 each (for discontinued operations)	50		
Basic (₹)		-	16.43
Diluted (₹)		-	16.43
Earnings per equity share of ₹1 each (for continuing and discontinued operations)	50		
Basic (₹)		26.00	52.48
Diluted (₹)		26.00	52.48

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

Place: Delhi
Date: 27 May 2022

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Noida
Date: 27 May 2022

Consolidated Statement of Changes in Equity for the year ended 31 March 2022

A. Equity share capital

(₹ in million)

Balance as at 31 March 2020	**159.30**
Changes in equity share capital during the year (refer note 31)	-
Treasury shares held in trust for employees under ESOP scheme (refer note 14)	(0.11)
Balance as at 31 March 2021	**159.19**
Changes in equity share capital during the year	-
Balance as at 31 March 2022	**159.19**

B. Other equity

(₹ in million)

	Attributable to owners of the Company											Attributable to Non-controlling interest	Total
	Reserves and surplus (1)								Items of Other Comprehensive Income (1)		Total attributable to owners of the Company		
	Capital reserve	Securities premium	Capital redemption reserve	Amalgamation reserve	General reserve	Legal reserve	Share based payment reserve (refer note 47)	Retained earnings	Equity instruments through OCI	Foreign currency translation reserve			
Balance as at 1 April 2020	**2,189.20**	**5,872.51**	**398.36**	**13.21**	**7,374.07**	**30.22**	**-**	**38,448.17**	**180.49**	**1,373.29**	**55,879.52**	**-**	**55,879.52**
Profit/(loss) for the year	-	-	-	-	-	-	-	8,358.69	-	-	8,358.69	(2.58)	8,356.11
Other comprehensive income/(loss)	-	-	-	-	-	-	-	(7.81)	(9.54)	1,760.07	1,742.72	(0.08)	1,742.64
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,350.88**	**(9.54)**	**1,760.07**	**10,101.41**	**(2.66)**	**10,098.75**
Shares based payments (refer note 47)	-	-	-	-	-	-	13.57	-	-	-	13.57	-	13.57
Stock awards vested (refer note 47)	-	-	-	-	-	-	(5.41)	2.44	-	-	(2.97)	2.97	-
Adjustment on account of consolidation of ESOP Trust (refer note 47)	(100.50)	-	-	-	-	-	-	-	-	-	(100.50)	-	(100.50)
Transfer to legal reserve	-	-	-	-	-	1.69	-	(1.69)	-	-	-	-	-
Adjustment on amalgamation of certain promoter controlled entities (refer note 31)	-	-	-	-	-	-	-	0.62	-	-	0.62	-	0.62
Adjustment on account of demerger (refer note 31)	(2,026.90)	(5,872.51)	-	-	(7,374.07)	(22.03)	-	(3,623.31)	91.27	192.07	(18,635.48)	-	(18,635.48)
Cancellation of investment in Jubilant Ingrevia Limited (refer note 31)	(0.50)	-	-	-	-	-	-	-	-	-	(0.50)	-	(0.50)
Balance as at 31 March 2021	**61.30**	**-**	**398.36**	**13.21**	**-**	**9.88**	**8.16**	**43,177.11**	**262.22**	**3,325.43**	**47,255.67**	**0.31**	**47,255.98**
Profit/(loss) for the year	-	-	-	-	-	-	-	4,139.36	-	-	4,139.36	(9.20)	4,130.16
Other comprehensive income/(loss)	-	-	-	-	-	-	-	9.34	309.01	2,121.46	2,439.81	(0.21)	2,439.60
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,148.70**	**309.01**	**2,121.46**	**6,579.17**	**(9.41)**	**6,569.76**
Shares based payments (refer note 47)	-	-	-	-	-	-	36.26	-	-	-	36.26	-	36.26
Stock awards vested (refer note 47)	-	-	-	-	-	-	(7.79)	21.02	-	(0.70)	12.53	(12.53)	-
Dividend	-	-	-	-	-	-	-	(796.41)	-	-	(796.41)	-	(796.41)
Adjustment on account of consolidation of ESOP Trust (refer note 47)	-	-	-	-	-	-	-	0.54	-	-	0.54	-	0.54
Transfer of cumulative gain of equity investments classified at FVOCI	-	-	-	-	-	-	-	299.21	(299.21)	-	-	-	-
Tax effect of common control transaction	-	-	-	(61.32)	-	-	-	-	-	-	(61.32)	-	(61.32)
Balance as at 31 March 2022	**61.30**	**-**	**398.36**	**(48.11)**	**-**	**9.88**	**36.63**	**46,850.17**	**272.02**	**5,446.19**	**53,026.44**	**(21.63)**	**53,004.81**

Consolidated Statement of Changes in Equity for the year ended 31 March 2022 (Continued)

Notes:

(1) Refer note 15 for nature and purpose of other equity.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached	For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**	
For **B S R & Co. LLP** *Chartered Accountants* ICAI Firm Registration Number: 101248W/W-100022		
Manish Gupta *Partner* Membership No.: 095037	**Shyam S. Bhartia** *Chairman* DIN: 00010484	**Hari S. Bhartia** *Co-Chairman and Managing Director* DIN: 00010499
	Arun Kumar Sharma *Chief Financial Officer*	**Rajiv Shah** *Company Secretary*
Place: Delhi Date: 27 May 2022	Place: Noida Date: 27 May 2022	

Consolidated Statement of Cash Flows for the year ended 31 March 2022

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
A. Cash flow from operating activities		
Profit before tax from continuing operations	**6,304.47**	**8,710.76**
Profit before tax from discontinued operations	**-**	**3,409.34**
Profit before tax	**6,304.47**	**12,120.10**
Adjustments:		
Depreciation, amortisation and impairment expense	3,817.04	4,516.48
Loss on disposal of property, plant and equipment (net)	33.70	70.10
Finance costs	1,454.86	2,472.89
Exceptional items	-	212.31
Share-based payment expense	11.24	-
Unrealised foreign exchange loss	404.05	174.31
Interest income	(24.51)	(138.93)
Gain on investments at fair value through profit or loss	(1.47)	(29.89)
Share of loss/(profit) of an associate	99.83	(112.52)
	5,794.74	**7,164.75**
Operating cash flow before working capital changes	**12,099.21**	**19,284.85**
Increase in trade receivables, loans, other financial assets and other assets	(399.26)	(1,126.80)
(Increase)/decrease in inventories	(956.47)	1,343.21
(Decrease)/increase in trade payables, other financial liabilities, other liabilities and provisions	(427.14)	2,282.59
Cash generated from operations	**10,316.34**	**21,783.85**
Income tax paid (net of refund)	(1,940.91)	(3,941.20)
Net cash generated from operating activities	**8,375.43**	**17,842.65**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	(5,999.91)	(5,274.94)
Proceeds from sale of property, plant and equipment	35.18	131.95
Purchase of investments	(23.19)	(2,024.26)
Proceeds from sale of investments	441.11	-
Movement in other bank balances	1,702.90	(264.08)
Interest received	40.21	41.19
Net cash used in investing activities	**(3,803.70)**	**(7,390.14)**
C. Cash flow from financing activities #		
Acquisition of shares by employee welfare trust	-	(100.61)
Proceeds from long term borrowings	2,031.77	12,301.22
Repayments of long term borrowings*	(49.96)	(19,499.66)
Payment of lease liabilities	(597.89)	(558.76)
Proceeds from/(repayments of) short term borrowings (net)	439.99	(6,298.95)
Dividend paid	(800.53)	(14.75)
Finance costs paid	(1,349.37)	(2,922.35)
Net cash used in financing activities	**(325.99)**	**(17,093.86)**
D. Effect of exchange rate changes	**572.88**	**122.59**

Consolidated Statement of Cash Flows for the year ended 31 March 2022 (Continued)

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**4,818.62**	**(6,518.76)**
Add: cash and cash equivalents at the beginning of year	5,019.57	12,308.14
Cash and cash equivalents transferred pursuant to the Composite Scheme (refer note 31)	-	(769.86)
Cash and cash equivalents received pursuant to the Composite Scheme (refer note 31)	-	0.05
Cash and cash equivalents at the end of the year (Refer note 12(a))	**9,838.19**	**5,019.57**

* Revolver facility of Jubilant HollisterStier LLC is presented on net basis.

Refer note 16.4 for movement of liabilities arising from financing activities.

Note:

1. Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
2. For non-cash transaction pursuant to the Composite Scheme, refer note 31.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

Place: Delhi
Date: 27 May 2022

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Noida
Date: 27 May 2022

Notes to the consolidated financial statements for the year ended 31 March 2022

Note 1. Corporate information

Jubilant Pharmova Limited ("the Company" or the "Parent Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is situated at Bhartiagram, Gajraula, District Amroha, Uttar Pradesh – 244223.

The consolidated financial statements of the Company comprise the financial statements of Company and its subsidiaries (including partnerships) (together referred to as "the Group"). The Group is an integrated global pharmaceuticals company engaged in pharmaceuticals, contract research and development services and proprietary novel drugs. The pharmaceuticals segment, through wholly owned subsidiary Jubilant Pharma Limited, is engaged in manufacture and supply of APIs, solid dosage formulations, radiopharmaceuticals, allergy therapy products and contract manufacturing of sterile injectables and non-sterile products through 6 manufacturing facilities in India, USA and Canada and a network 48 radiopharmacies in the USA. The contract research and development segment provides drug discovery and development services as well as clinical data software and service solutions. Proprietary novel drugs segment is a patient-focused biopharmaceutical business working to address unmet medical needs in oncology and autoimmune diseases. The Group is well recognised as a 'Partner of Choice' by leading pharmaceuticals companies globally.

The Company was also engaged in the Life Science Ingredients business upto 1 February 2021. The Composite Scheme of Arrangement ("Composite Scheme") for amalgamation of certain promoter controlled entities into the Company and demerger of the Life Science Ingredients business into Jubilant Ingrevia Limited, the Resulting entity, was approved by Honourable National Company Law Tribunal ("NCLT"), Allahabad Bench vide its order dated 23 December 2020, formal order received on 6 January 2021. The said NCLT order was filed with the Registrar of Companies by Company and Jubilant Ingrevia Limited on 1 February 2021, thereby making the Composite Scheme effective. Accordingly, all assets and liabilities of the Life Science Ingredients business stand transferred and vested into Jubilant Ingrevia Limited on 1 February 2021, being the Appointed date as per the Composite Scheme for the demerger of Life Sciences Ingredients business. Effective that date, the name of the Company has changed to Jubilant Pharmova Limited from Jubilant Life Sciences Limited (refer note 31).

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) *Statement of compliance*

The Consolidated Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act") relevant provisions of the Act and other accounting principles generally accepted in India.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements have been authorised for issue by the Company's Board of Directors on 27 May 2022.

(ii) *Historical cost convention*

The consolidated financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company, and the entities controlled by the Company including its subsidiaries.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

(ii) Exposure, or rights, to variable returns from its involvement with the investee, and

(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of an entity begins when the Group obtains control over that entity and ceases when the Group loses control over the entity. Assets, liabilities, income and expenses of an entity acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the entity.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a member of the Group, the member prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The details of the consolidated entities are as follows:

Sr. No.	Name	Country of Incorporation	Name of Parent	Percentage of ownership interest held by the Group
1	Jubilant Pharma Limited (1)	Singapore	Jubilant Pharmova Limited	100%
2	Draximage Limited, Cyprus (Liquidated w.e.f. 19 November 2020) (1)	Cyprus	Jubilant Pharma Limited	100%
3	Draximage Limited, Ireland (Liquidated w.e.f. 30 June 2021) (1)	Ireland	Jubilant Pharma Limited	100%
4	Jubilant Draximage (USA) Inc. (1)	USA	Jubilant Pharma Holdings Inc.	100%
5	Jubilant DraxImage Inc. (1)	Canada	Jubilant Pharma Limited	100%
6	6981364 Canada Inc. (Merged with Jubilant DraxImage Inc. w.e.f. 31 May 2021) (1)	Canada	Jubilant DraxImage Inc.	100%
7	Draximage (UK) Limited (1)	UK	Jubilant DraxImage Inc.	100%
8	Jubilant Pharma Holdings Inc. (1)	USA	Jubilant Pharma Limited	84.71%
			Jubilant Generics Limited	15.29%
9	Jubilant Clinsys Inc. (1)	USA	Jubilant Pharma Holdings Inc.	100%
10	Jubilant Cadista Pharmaceuticals Inc. (1)	USA	Jubilant Pharma Holdings Inc.	100%
11	Jubilant Life Sciences International Pte. Limited (4)	Singapore	Jubilant Pharmova Limited	100%
12	Jubilant HollisterStier LLC (1)	USA	Jubilant Pharma Holdings Inc.	100%
13	Jubilant Life Sciences (Shanghai) Limited (4)	China	Jubilant Life Sciences International Pte. Limited	100%
14	Jubilant Pharma NV (1)	Belgium	Jubilant Generics Limited	77.65%
			Jubilant Pharma Limited	22.35%
15	Jubilant Pharmaceuticals NV (1)	Belgium	Jubilant Pharma NV	99.81%
			Jubilant Pharma Limited	0.19%
16	PSI Supply NV (1)	Belgium	Jubilant Pharma NV	99.50%
			Jubilant Pharma Limited	0.50%
17	Jubilant Life Sciences (USA) Inc. (4)	USA	Jubilant Pharmova Limited	100%

Notes to the consolidated financial statements for the year ended 31 March 2022

Sr. No.	Name	Country of Incorporation	Name of Parent	Percentage of ownership interest held by the Group
18	Jubilant Life Sciences (BVI) Limited (Liquidated w.e.f. 7 February 2022) (2)	BVI	Drug Discovery and Development Solutions Limited	100%
19	Jubilant Biosys Limited (2)	India	Jubilant Pharmova Limited	100%
20	Jubilant Discovery Services LLC (2)	USA	Jubilant Innovation (USA) Inc.	100%
21	Jubilant Drug Development Pte. Limited (Merged with Drug Discovery and Development Solutions Limited w.e.f. 31 March 2022) (2)	Singapore	Drug Discovery and Development Solutions Limited (w.e.f. 29 October 2021) Jubilant Life Sciences (BVI) Limited (up to 28 October 2021)	100%
22	Jubilant Chemsys Limited (Merged with Jubilant Biosys Limited w.e.f. 28 July 2020) (2)	India	Jubilant Pharmova Limited	75.61%
			Jubilant Drug Development Pte. Limited	24.39%
23	Jubilant Clinsys Limited (2)	India	Jubilant Biosys Limited (w.e.f. 28 July 2020) Jubilant Chemsys Limited (up to 27 July 2020)	100%
24	Jubilant Infrastructure Limited (4)	India	Jubilant Pharmova Limited	100%
25	Jubilant First Trust Healthcare Limited (2)	India	Jubilant Pharmova Limited	100%
26	Jubilant Innovation Pte. Limited (Struck off w.e.f. 10 January 2022) (2)	Singapore	Drug Discovery and Development Solutions Limited	100%
27	Jubilant DraxImage Limited (1)	India	Jubilant Pharma Limited	100%
28	Jubilant Innovation (India) Limited (Liquidated w.e.f. 10 February 2021) (2)	India	Drug Discovery and Development Solutions Limited	100%
29	Jubilant Innovation (USA) Inc. (2)	USA	Drug Discovery and Development Solutions Limited	100%
30	Jubilant HollisterStier Inc. (1)	USA	Jubilant Pharma Holdings Inc.	100%
31	Draxis Pharma LLC (1)	USA	Jubilant HollisterStier Inc.	100%
32	Drug Discovery and Development Solutions Limited (2)	Singapore	Jubilant Pharmova Limited	100%
33	TrialStat Solutions Inc. (2)	Canada	Jubilant Biosys Innovative Research Services Pte. Limited (w.e.f. 19 March 2021) Drug Discovery and Development Solutions Limited (upto 18 March 2021)	100%
34	Jubilant HollisterStier General Partnership # (1)	Canada	Jubilant HollisterStier Inc.	99.99%
			Draxis Pharma LLC	0.01%
35	Draximage General Partnership (Liquidated w.e.f. 31 May 2021) # (1)	Canada	Jubilant DraxImage Inc.	90%
			6981364 Canada Inc.	10%
36	Vanthys Pharmaceutical Development Private Limited (Liquidated w.e.f. 10 February 2021) (2)	India	Jubilant Innovation Pte. Limited	100%
37	Jubilant Generics Limited (1)	India	Jubilant Pharma Limited	100%
38	Jubilant Life Sciences NV (4)	Belgium	Jubilant Pharmova Limited (One share, representing 0.001% holding is held by Jubilant Infrastructure Limited)	100%

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Sr. No.	Name	Country of Incorporation	Name of Parent	Percentage of ownership interest held by the Group
39	Jubilant Pharma Australia Pty Limited (1)	Australia	Jubilant Pharma Limited	100%
40	Jubilant Draximage Radiopharmacies Inc. (1)	USA	Jubilant Pharma Holdings Inc.	100%
41	Jubilant Pharma SA (Pty) Limited (1)	South Africa	Jubilant Pharma Limited	100%
42	Jubilant Therapeutics India Limited (3)	India	Jubilant Pharmova Limited	100%
43	Jubilant Therapeutics Inc. (3)	USA	Jubilant Therapeutics India Limited	97.81%
44	Jubilant Business Services Limited (1)	India	Jubilant Pharmova Limited	100%
45	Jubilant Episcribe LLC (3)	USA	Jubilant Therapeutics Inc.	97.81%
46	Jubilant Epicore LLC (3)	USA	Jubilant Therapeutics Inc.	97.81%
47	Jubilant Prodel LLC (3)	USA	Jubilant Therapeutics Inc.	97.81%
48	Jubilant Epipad LLC (3)	USA	Jubilant Therapeutics Inc.	97.81%
49	Jubilant Pharma UK Limited (1)	UK	Jubilant Pharma Limited	100%
50	Jubilant Pharma ME FZ-LLC (Incorporated on 31 October 2021) (1)	UAE	Jubilant Pharma Limited	100%
51	Jubilant Ingrevia Limited (Formerly Jubilant LSI Limited) (4)	India	Jubilant Pharmova Limited	100%
52	Jubilant Biosys Innovative Research Services Pte. Limited (Incorporated on 22 July 2020) (2)	Singapore	Jubilant Biosys Limited	100%
53	Jubilant Employees Welfare Trust	India	Jubilant Pharmova Limited	-

Partnership firms, in which two subsidiaries of the Parent Company are partners.

(1) Represents entities engaged in Pharmaceuticals business.

(2) Represents entities engaged in Contract Research and Development Services business.

(3) Represents entities engaged in Proprietary Novel Drugs business.

(4) Represents entities engaged in Life Sciences Ingredients business, demerged w.e.f. 1 February 2021 pursuant to Composite Scheme (refer note 31).

The associate and subsidiaries of associate are as follows:

Sr. No.	Name	Country of Incorporation	Name of Parent/Investor	Percentage of ownership interest held by the Group	Date of acquisition by the Group
Associate					
1	Sofie Biosciences, Inc.	USA	Jubilant Pharma Limited	25%	4 November 2020
Subsidiaries of Associate					
2	Sofie Network, Inc.	USA	Sofie Biosciences, Inc.	25%	4 November 2020
3	N-Molecular, Inc.	USA	Sofie Network, Inc.	25%	4 November 2020
4	GRD US PET Operations, Inc.	USA	Sofie Network, Inc.	25%	4 November 2020
5	SOFIE Co.	USA	GRD US PET Operations, Inc.	25%	4 November 2020
6	iTheranostics Inc.	USA	Sofie Biosciences, Inc.	17.50%	4 November 2020

Notes to the consolidated financial statements for the year ended 31 March 2022

(c) Consolidation procedure

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill (refer note 2(f)).

c) Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interest in the results and the equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(d) Investment accounted for using the equity method

The Group's interest in investment accounted for using the equity method comprises interest in an associate. Associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policy decisions of the investee.

Interest in an associate is accounted for using the equity method. Under the equity method of accounting, the investment in an associate is initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investee until the date on which significant influence ceases. Goodwill (i.e. excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee) relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately. Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment.

Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value.

(e) Current versus non-current classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Each entity of the Group has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

(f) Business combinations

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognised in the Consolidated Statement of Profit and Loss and Other Comprehensive Income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities & contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve as a gain on bargain purchase.

Business combinations between entities under common control are accounted at historical cost. The difference between the consideration paid/received and the carrying amount of assets and liabilities transferred is recorded in the capital reserve, a component of other equity.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised.

(g) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalised finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. 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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Consolidated Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

(ii) Intangible assets

- Goodwill arising on business combinations is disclosed separately in the balance sheet and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.
- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Consolidated Statement of Profit and Loss as incurred.
  - Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Consolidated Statement of Profit and Loss as incurred.

Notes to the consolidated financial statements for the year ended 31 March 2022

- Intangible assets (including intangible assets under development) that are acquired and implementation of software system are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) Depreciation and amortisation methods, estimated useful lives and residual value

For Indian entities, depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Vehicles – Owned	5 years	8 years
Computer servers and networks (included in office equipment)	5 years	6 years
Dies and punches for manufacture of dosage formulations (included in plant and equipment)	1-2 years	15 years
Employee perquisite related assets (except end user computers) (included in furniture and fixtures)	5 years, being the period of perquisite scheme	10 years

For overseas entities, depreciation is charged using the straight line method, over the estimated useful life considered as follows:

- Building: 30-60 years
- Plant and machinery: 3 to 20 years
- Dies and punches: 1 to 2 years
- Furniture and office equipment: 3 to 15 years
- Computer and information technology related assets: 3 to 5 years
- Vehicles: 3 to 5 years

Leasehold improvements (included in furniture and fixtures) are depreciated over their estimated useful life, or the remaining period of lease from the date of capitalisation, whichever is shorter.

The estimated useful lives of Intangibles are follows:

Internally generated product registration / market authorisation	5 to 10 years
Acquired patents, trademarks / trade names and customer contracts	5 to 10 years
Rights	5 years
Software	5 years

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date / month of addition/disposal. Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss.

(h) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Consolidated Statement of Profit and Loss. Once classified as held-for sale, property, plant and equipment and intangible assets are no longer depreciated or amortised.

A discontinued operation is a component of the Group's business that has been disposed off or is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss.

(i) Impairment of non-financial assets

Goodwill, intangible assets that have an indefinite useful life and intangible assets under development are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. The Group's other non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and 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. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Consolidated Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Notes to the consolidated financial statements for the year ended 31 March 2022

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Group, at initial recognition, may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Impairment of financial assets

The Group recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Consolidated Statement of Profit and Loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

(ii) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Consolidated Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Consolidated Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognised 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

(iii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(iv) *Share capital*

Equity shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

(k) Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated 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 latter being allocated on the basis of normal operating capacity
Fuel, consumables, packing material etc.	Weighted average method
Finished goods (traded)	Weighted average method
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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 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.

(l) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(m) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Decommissioning provisions

In accordance with the applicable regulatory and contractual requirements, a decommissioning provision in respect of estimated costs of dismantling and repairing leased premises to be performed at the time it is vacated and removing certain machinery and equipment to be performed at the time it is disposed off, is recognised. The provision is measured at the present value of the best estimate of the decommissioning costs.

(n) Revenue recognition

Revenue from sale of products is recognised when the Group satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised when the Group satisfies a performance obligation as and when the underlying services are performed.

The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered 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.

Notes to the consolidated financial statements for the year ended 31 March 2022

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognised over the period over which the Group satisfies the underlying performance obligations. In respect of outsourcing contracts for drug development with third party Clinical Research Organisation (CRO), revenue is recognised on the basis of actual cost incurred plus mark up as agreed with the customer under each agreement.

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 including charge-backs, expected sales return and bill backs. 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 goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

Contract assets are recognised when there is excess of revenue earned over billings on contracts, excluding amounts classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

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.

(o) Employee benefits

(i) *Short-term employee benefits:* All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) *Post-employment benefits:* Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity (applicable for Indian entities of the Group), is recognised in the books of accounts based on actuarial valuation by an independent actuary. The gratuity liability for certain employees of the Group is funded with Life Insurance Corporation of India.

b) Superannuation

Certain employees of the Parent Company are also participants in the superannuation plan, a defined contribution plan. Contribution made by the Parent Company to the superannuation plan during the year is charged to Consolidated Statement of Profit and Loss.

c) Provident fund

- The Group makes contribution to the recognised provident fund - "VAM Employees Provident Fund Trust" ("the Trust") (a multiemployer trust) for most of its employees in India.

For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

Also refer note 32(A).

- Group's contribution to the provident fund is charged to Consolidated Statement of Profit and Loss.

d) Foreign subsidiaries make contribution to various social security plans and insurance schemes as per local requirements and generally accepted practices in their respective country of incorporation. Such contributions are charged to Consolidated Statement of Profit and Loss on accrual basis in the year in which liability to pay arise.

(iii) *Other long-term employee benefits:*

Compensated absences

As per the Group's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iv) *Termination benefits:*

Termination benefits are recognised as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(v) Actuarial valuation

The liability in respect of all defined benefit plans and other long term benefits is accrued in the consolidated books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term benefits are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Consolidated Statement of Changes in Equity and in the Consolidated Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Consolidated Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

(p) Share based payments

The Company has granted stock options to the employees of the Group. The grant date fair value of options granted (net of estimated forfeiture) to employees of the Group is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

The difference between cost of shares purchased from secondary market and the proceeds on sale/allotment of shares by trust is recognised in capital reserve.

A subsidiary company has also granted restricted stocks and non-qualified stock options to its employees and consultants. For restricted stock awards, the grant date fair value of awards is recognised as "unearned compensation" under other asset, with a corresponding increase in "share based payment reserve" under equity, at the time of grant. The amount of unearned compensation recognised as an expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met. The amount recognised as an expense is adjusted to reflect the actual number of awards that vest. For non-qualified stock options, the grant date fair value of options granted (net of estimated forfeiture) is recognised as an expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

(q) Finance costs and finance income

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalisation. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

Finance income consists of interest income. Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts

Notes to the consolidated financial statements for the year ended 31 March 2022

estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. In calculating interest income or expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(r) Exceptional items

Exceptional items refer to items of income or expense within the Consolidated Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

(s) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- ***Current tax:***

  Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

- ***Deferred tax*:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

– temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

– temporary differences related to freehold land and investment in subsidiaries and associate, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

– taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is a tax liability of an Indian company computed at specified rate on adjusted book profits as per applicable provisions of the Indian Income Tax Act. An Indian company is liable to pay MAT, if the income tax payable under normal provisions of the Indian Income Tax Act is less than tax payable under MAT.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred income tax is not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

(t) Leases – *Group as a lessee*

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contact involves the use of an identified asset; (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Group has the right to direct the use of the asset.

The Group's lease asset classes primarily consist of leases for land, buildings, plant and equipment, office equipment and vehicles which typically run for a period of 3 to 10 years, with an option to renew the lease after that date. For certain leases, the Group is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Group recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman and Co-Chairman & Managing Director (CCMD) of the Group are responsible for allocating resources and assessing performance of the operating segments, and accordingly, identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

(v) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (₹), which is also the Parent Company's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Consolidated Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Equity share capital and opening other equity are carried at historical cost.

Notes to the consolidated financial statements for the year ended 31 March 2022

- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening other equity) are translated using closing rates at balance sheet date.
- Profit and Loss items are translated at the respective quarterly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
- All resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold or any inter-company balances forming part of the net investment are settled, the associated cumulative exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

The items of Consolidated Cash Flow Statement are translated at the respective average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction. The impact of changes in exchange rate on cash and cash equivalent held in foreign currency is included in effect of exchange rate changes.

(w) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Consolidated Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Consolidated Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(x) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(z) Critical estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes.

- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(g)
- Valuation of inventories – Note 2(k)
- Recognition of revenue and related accruals– Note 2(n)
- Fair value measurements – Note 2(y) and 33
- Impairment of financial assets and non-financial assets - Note 2(i), 2(j), 4(a)
- Estimation of assets and obligations relating to employee benefits – Note 32
- Recognition and estimation of tax expense including deferred tax – Note 8 and 29
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 38
- Lease term: whether the Group is reasonably certain to exercise extension options – Note 2(t) and 40

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Group, as at the date of approval of these financial statements, has used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Group. On the basis of evaluation and current indicators of future economic conditions, the Group expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

(aa) Recent accounting pronouncements

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

Ind AS 103 – Reference to Conceptual Framework

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

Ind AS 16 – Proceeds before intended use

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

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

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

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

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

Ind AS 116 – Annual Improvements to Ind AS (2021)

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

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 3: Property, plant and equipment and capital work-in-progress

(₹ in million)

	Land-freehold	Building-factory	Building-others	Plant and equipment	Furniture and fixtures	Vehicles-owned	Office equipment	Railway sidings	Total	Capital work-in-progress
Gross carrying amount as at 1 April 2020	**619.36**	**7,880.57**	**2,920.45**	**35,747.19**	**1,134.29**	**47.24**	**1,294.71**	**108.43**	**49,752.24**	**2,636.19**
Additions	36.55	28.24	91.91	2,391.20	312.82	0.02	256.54	-	**3,117.28**	3,967.66
Deductions	-	-	-	(72.07)	(25.07)	-	(14.59)	-	**(111.73)**	(3,170.86)
Transferred pursuant to the Composite Scheme (refer note 31)	(226.84)	(1,444.39)	(1,667.93)	(18,772.37)	(113.26)	(19.94)	(354.22)	(108.43)	**(22,707.38)**	(639.93)
Foreign currency translation adjustment	7.79	(64.58)	-	32.30	(18.77)	-	0.39	-	**(42.87)**	(15.26)
Gross carrying amount as at 31 March 2021	**436.86**	**6,399.84**	**1,344.43**	**19,326.25**	**1,290.01**	**27.32**	**1,182.83**	**-**	**30,007.54**	**2,777.80**
Accumulated depreciation as at 1 April 2020	**-**	**1,395.51**	**428.39**	**9,155.50**	**490.50**	**29.18**	**691.26**	**55.40**	**12,245.74**	**-**
Depreciation charge for the year	-	306.59	162.54	2,151.78	151.40	4.38	178.20	9.24	**2,964.13**	-
Deductions	-	-	-	(51.32)	(20.00)	-	(8.36)	-	**(79.68)**	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	(228.21)	(445.26)	(4,156.46)	(63.61)	(13.97)	(221.93)	(64.64)	**(5,194.08)**	-
Foreign currency translation adjustment	-	(8.67)	-	9.80	(8.08)	-	(0.86)	-	**(7.81)**	-
Accumulated depreciation as at 31 March 2021	**-**	**1,465.22**	**145.67**	**7,109.30**	**550.21**	**19.59**	**638.31**	**-**	**9,928.30**	**-**
Net carrying amount as at 31 March 2021	**436.86**	**4,934.62**	**1,198.76**	**12,216.95**	**739.80**	**7.73**	**544.52**	**-**	**20,079.24**	**2,777.80**

(₹ in million)

	Land-freehold	Building-factory	Building-others	Plant and equipment	Furniture and fixtures	Vehicles-owned	Office equipment	Railway sidings	Total	Capital work-in-progress
Gross carrying amount as at 1 April 2021	**436.86**	**6,399.84**	**1,344.43**	**19,326.25**	**1,290.01**	**27.32**	**1,182.83**	**-**	**30,007.54**	**2,777.80**
Additions	-	18.27	14.25	2,611.35	950.91	11.29	154.24	-	**3,760.31**	3,757.41
Deductions	-	-	-	(80.10)	(1.75)	-	(17.77)	-	**(99.62)**	(3,696.78)
Foreign currency translation adjustment	11.00	180.23	-	474.94	43.51	-	35.62	-	**745.30**	79.83
Gross carrying amount as at 31 March 2022	**447.86**	**6,598.34**	**1,358.68**	**22,332.44**	**2,282.68**	**38.61**	**1,354.92**	**-**	**34,413.53**	**2,918.26**
Accumulated depreciation as at 1 April 2021	**-**	**1,465.22**	**145.67**	**7,109.30**	**550.21**	**19.59**	**638.31**	**-**	**9,928.30**	**-**
Depreciation charge for the year	-	268.24	32.94	1,571.98	218.36	3.01	163.46	-	**2,257.99**	-
Deductions	-	-	-	(54.00)	(1.56)	-	(14.38)	-	**(69.94)**	-
Foreign currency translation adjustment	-	49.30	-	194.61	17.52	-	23.19	-	**284.62**	-
Accumulated depreciation as at 31 March 2022	**-**	**1,782.76**	**178.61**	**8,821.89**	**784.53**	**22.60**	**810.58**	**-**	**12,400.97**	**-**
Net carrying amount as at 31 March 2022	**447.86**	**4,815.58**	**1,180.07**	**13,510.55**	**1,498.15**	**16.01**	**544.34**	**-**	**22,012.56**	**2,918.26**

Notes:

(1) Refer note 16.3 for information on property, plant and equipment provided as security by the Group.

(2) Refer note 39(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(3) Refer note 42(b) for finance costs capitalised.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Capital work-in-progress ageing schedule:

Ageing for capital work-in-progress as at 31 March 2022 is as follows:

(₹ in million)

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,936.54	518.88	300.14	162.70	2,918.26
Total capital work-in-progress	**1,936.54**	**518.88**	**300.14**	**162.70**	**2,918.26**

Ageing for capital work-in-progress as at 31 March 2021 is as follows:

(₹ in million)

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,003.87	417.72	161.79	194.42	2,777.80
Total capital work-in-progress	**2,003.87**	**417.72**	**161.79**	**194.42**	**2,777.80**

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 4. Goodwill, other intangible assets and intangible assets under development

(₹ in million)

	Goodwill	Other Intangible assets					Intangible assets under development
		Internally generated product registration/ market authorisation	Acquired patents, trademarks/ trade names and customer contracts	Rights	Software	Total	
Gross carrying amount as at 1 April 2020	**20,894.61**	**4,952.87**	**340.56**	**99.50**	**1,056.35**	**6,449.28**	**5,047.68**
Additions	-	187.28	-	-	98.41	285.69	1,446.89
Deductions (2)	-	-	-	-	-	-	(433.09)
Transferred pursuant to the Composite Scheme (refer note 31)	-	-	-	(80.69)	(151.95)	(232.64)	(30.10)
Foreign currency translation adjustment	405.01	184.41	18.90	-	(11.97)	191.34	160.76
Gross carrying amount as at 31 March 2021	**21,299.62**	**5,324.56**	**359.46**	**18.81**	**990.84**	**6,693.67**	**6,192.14**
Accumulated amortisation as at 1 April 2020	**-**	**3,136.34**	**283.30**	**31.90**	**731.25**	**4,182.79**	**-**
Amortisation for the year	-	589.77	6.42	3.43	137.20	736.82	-
Deductions	-	-	-	-	-	-	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	-	-	(16.52)	(111.54)	(128.06)	-
Foreign currency translation adjustment	-	77.49	20.74	-	(9.83)	88.40	-
Accumulated amortisation as at 31 March 2021	**-**	**3,803.60**	**310.46**	**18.81**	**747.08**	**4,879.95**	**-**
Net carrying amount as at 31 March 2021	**21,299.62**	**1,520.96**	**49.00**	**-**	**243.76**	**1,813.72**	**6,192.14**

(₹ in million)

	Goodwill	Other Intangible assets					Intangible assets under development
		Internally generated product registration/ market authorisation	Acquired patents, trademarks/ trade names and customer contracts	Rights	Software	Total	
Gross carrying amount as at 1 April 2021	**21,299.62**	**5,324.56**	**359.46**	**18.81**	**990.84**	**6,693.67**	**6,192.14**
Additions	-	67.75	-	-	58.15	125.90	1,853.77
Deductions (2)	-	-	-	-	-	-	(279.73)
Foreign currency translation adjustment	1,127.92	219.79	30.50	-	28.64	278.93	211.21
Gross carrying amount as at 31 March 2022	**22,427.54**	**5,612.10**	**389.96**	**18.81**	**1,077.63**	**7,098.50**	**7,977.39**
Accumulated amortisation as at 1 April 2021	**-**	**3,803.60**	**310.46**	**18.81**	**747.08**	**4,879.95**	**-**
Amortisation for the year	-	605.34	6.44	-	129.86	741.64	-
Deductions	-	-	-	-	-	-	-
Foreign currency translation adjustment	-	138.76	28.82	-	23.49	191.07	-
Accumulated amortisation as at 31 March 2022	**-**	**4,547.70**	**345.72**	**18.81**	**900.43**	**5,812.66**	**-**
Net carrying amount as at 31 March 2022	**22,427.54**	**1,064.40**	**44.24**	**-**	**177.20**	**1,285.84**	**7,977.39**

Notes:

(1) Refer note 42(b) for finance costs capitalised.

(2) Refer note 43.

(3) Refer note 39(a) for disclosure of contractual commitments for the acquisition of intangible assets.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Intangible assets under development ageing schedule:

Ageing for intangible assets under development as at 31 March 2022 is as follows:

(₹ in million)

	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,915.77	1,117.54	783.42	4,160.66	7,977.39
Total intangible assets under development	**1,915.77**	**1,117.54**	**783.42**	**4,160.66**	**7,977.39**

Ageing for capital work-in-progress as at 31 March 2021 is as follows:

(₹ in million)

	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,100.17	833.96	1,473.77	2,784.24	6,192.14
Total intangible assets under development	**1,100.17**	**833.96**	**1,473.77**	**2,784.24**	**6,192.14**

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan.

Note 4 (a): Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the lowest level at which the goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments.

The aggregate carrying amounts of goodwill allocated to CGU are as follows:

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Allergy Therapy	1,540.87	1,486.34
Radiopharmaceutical	10,457.99	9,694.73
Generics	2,453.32	2,425.75
Contract Manufacturing Operation	7,975.36	7,692.80
Total	**22,427.54**	**21,299.62**

The recoverable amount of the cash generating units was based on its value in use. The value in use of these units was determined to be higher than the carrying amount. The Group performed an analysis of the sensitivity towards change in key assumptions. Based on such analysis, the Group believes that any reasonably possible change in key assumptions on which recoverable amount of the above mentioned CGUs is based would not cause the carrying amount to exceed the recoverable amount of related CGUs.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.

ii. The terminal growth rate represents management view on the future long-term growth rate.

	31 March 2022	31 March 2021
Allergy Therapy	2%	2%
Radiopharmaceutical	2%	2%
Generics	0%-2%	0%-2%
Contract Manufacturing Operation	2%	2%

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

iii. The pre-tax discount rate was estimated based on past experience and taking into consideration the industry's weighted average cost of capital.

	31 March 2022	31 March 2021
Allergy Therapy	11%	8%
Radiopharmaceutical	8%-10%	7%-9%
Generics	8%-12%	8%-12%
Contract Manufacturing Operation	8-9%	8%-10%

iv. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

Note 5. (a) Investment in associate

On 4 November 2020, the Group acquired 2,796,747 Series C Preferred Stock of Sofie Biosciences, Inc. ("Sofie"), USA representing 25% share in its fully-diluted equity, for a total consideration of USD 25,000,000. Each share of Series C Preferred Stock is convertible into one share of Common Stock. Sofie is engaged in manufacturing and distribution of radiopharmaceuticals and has a contract manufacturing facility in the USA. Strategic partnership between the Group and Sofie will enable collaboration in the development, manufacturing and distributions of radiopharmaceuticals that will help in diagnosis and treatment of a wide variety of oncology diseases.

The following table summarises the financial information of Sofie as included in its consolidated financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies, if any. The table also reconciles the summarised consolidated financial information to the carrying amount of the Group's interest in Sofie. The information for the year ended 31 March 2021 presented in the table includes the consolidated results of Sofie for the period from 4 November 2020 to 31 March 2021.

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Non-current assets	6,971.32	6,834.04
Current assets	6,109.44	3,534.09
Non-current liabilities	(1,410.12)	(1,869.78)
Current liabilities	(5,139.26)	(1,418.93)
Total equity	**6,531.38**	**7,079.42**
Non-controlling interests	51.44	(332.08)
Equity attributable to owners of Sofie	**6,582.82**	**6,747.34**
Group's share of net assets (25%)	1,645.70	1,686.84
Goodwill	305.37	294.56
Carrying amount of investment	**1,951.07**	**1,981.40**

(₹ in million)

	For the year ended 31 March 2022	**For the period 4 November 2020 to 31 March 2021**
Revenue	5,857.16	3,394.96
(Loss)/profit from continuing operations	(384.35)	838.28
Post-tax profit from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive (loss)/income (1)	**(384.35)**	**838.28**

(1) Share of (loss)/profit of equity accounted investee is computed after deducting total comprehensive income attributable to non-controlling interest amounting to ₹14.97 million and ₹388.20 million for the years ended 31 March 2022 and 31 March 2021, respectively.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 5. (b) Non-current investments

(₹ in million)

		As at	
		31 March 2022	31 March 2021
I.	**Investment in equity instruments (at fair value through other comprehensive income)***		
	Unquoted		
	6,569,310 (31 March 2021: 6,569,310) equity shares of ₹10 each		
	Forum I Aviation Limited (refer note 31)	68.46	70.82
	Nil (31 March 2021: 296,670) common stock of USD 0.0001 each		
	Lengo Therapeutics, Inc.	-	4.20
	Nil (31 March 2021: 602,409) Series A preferred stock of USD 0.0001 each		
	Lengo Therapeutics, Inc.	-	36.90
	136,291 (31 March 2021: 136,291) shares of USD 1 each		
	Vaxxas Pty Ltd	125.97	102.26
	209,205 (31 March 2021: 209,205) common stock of USD 0.001 each		
	Navidea Biopharmaceuticals, Inc.	12.53	30.90
	500,000 (31 March 2021: 500,000) common stock of USD 0.00001 each		
	Sudo Biosciences Inc	13.86	12.41
	420,696 (31 March 2021: Nil) Series A preferred stock of USD 0.00001 each		
	Sudo Biosciences Inc	32.85	-
	534,194 (31 March 2021: 534,194) common stock of USD 0.001 each		
	IniPharm Inc.	13.33	12.09
	1,642,505 (31 March 2021: 1,223,458) Series A preferred stock of USD 0.00001 each		
	IniPharm Inc.	102.27	67.09
II.	**Investment in equity instruments (at fair value through profit or loss)**		
	Unquoted		
	Investment in 10% of total capital of the fund		
	Healthcare Ventures IX L.P.	54.71	55.49
III.	**Investment in debt instruments (at fair value through profit or loss)**		
	Unquoted		
	164,565 (31 March 2021: 106,845) warrants		
	Leap Therapeutics Inc.	10.95	6.02
	Nil (31 March 2021: 200,000) promissory notes		
	Sudo Biosciences Inc	-	30.03
	Total non-current investments	**434.93**	**428.20**
	Aggregate amount of quoted investments and market value thereof	-	-
	Aggregate amount of unquoted investments	434.93	428.20
	Aggregate amount of impairment in the value of investments	-	-

* The Group designated this investment as equity instruments measured at FVOCI because these shares represent investment that the Group intends to hold for long-term for strategic purposes.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 6. Loans

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to employees	14.00	5.50	11.56	6.32
Total loans	**14.00**	**5.50**	**11.56**	**6.32**

Note 7. Other financial assets

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Other bank balances:				
Deposits with maturity after 12 months from the reporting date (1)	-	30.37	-	13.54
Security deposits	0.11	150.05	2.69	130.73
Receivable from related parties (2) (refer note 37)	46.50	-	40.51	-
Insurance claims receivable	131.74	-	145.95	-
Unbilled receivables	634.49	-	493.49	-
Interest receivable	11.01	-	11.18	-
Others	53.53	-	243.09	-
Total other financial assets	**877.38**	**180.42**	**936.91**	**144.27**

Note:

(1) ₹30.37 million (31 March 2021: ₹13.02 million) has restricted use.

(2) Including due by directors and private companies having common director aggregating to ₹ Nil (31 March 2021: ₹2.49 million).

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 8. Deferred tax

Deferred income tax reflects the net tax effects of temporary difference between the carrying amount of asset and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Group's net deferred income tax are as follows:

Deferred tax assets:

(₹ in million)

	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	Tax losses carried forward	MAT credit entitlement	Intangibles	Lease liability	Accrued expenses and other temporary differences	Total
As at 1 April 2020	**473.89**	**839.09**	**1,519.97**	**3,345.20**	**458.14**	**665.43**	**661.29**	**7,963.01**
(Charged)/credited								
- to consolidated statement of profit and loss	(94.26)	(15.63)	(641.31)	119.62	(53.88)	98.25	(89.74)	(676.95)
- to other comprehensive income	117.80	-	-	-	-	-	-	117.80
Adjustment on account of reorganisation of subsidiary companies	-	-	-	-	-	-	1.82	1.82
Transferred pursuant to the Composite Scheme (refer note 31)	(252.53)	(18.35)	(11.58)	(1,876.00)	-	(163.95)	(72.43)	(2,394.84)
Foreign currency translation adjustment	(0.54)	(17.13)	(10.68)	-	2.95	20.15	4.01	(1.24)
As at 31 March 2021	**244.36**	**787.98**	**856.40**	**1,588.82**	**407.21**	**619.88**	**504.95**	**5,009.60**
(Charged)/credited								
- to consolidated statement of profit and loss	(133.23)	(118.16)	(23.57)	169.99	(167.40)	(457.45)	(74.05)	(803.87)
- to other comprehensive income	(5.42)	-	-	-	-	-	-	(5.42)
Foreign currency translation adjustment	2.06	28.24	2.41	-	1.11	12.49	1.24	47.55
As at 31 March 2022	**107.77**	**698.06**	**835.24**	**1,758.81**	**240.92**	**174.92**	**432.14**	**4,247.86**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Deferred tax liabilities:

(₹ in million)

	PPE, Intangibles and Right-of-use assets	Others	Total
As at 1 April 2020	**8,336.79**	**148.02**	**8,484.81**
Charged/(credited)			
- to consolidated statement of profit and loss	(10.18)	(140.98)	**(151.16)**
Adjustment on account of reorganisation of subsidiary companies	17.87	-	**17.87**
Transferred pursuant to the Composite Scheme (refer note 31)	(2,448.60)	(5.70)	**(2,454.30)**
Foreign currency translation adjustment	29.90	8.38	38.28
As at 31 March 2021	**5,925.78**	**9.72**	**5,935.50**
Charged/(credited)			
- to consolidated statement of profit and loss	(347.52)	(7.56)	(355.08)
Adjustment on account of reorganisation of subsidiary companies	(115.36)	-	(115.36)
Foreign currency translation adjustment	199.40	0.34	199.74
As at 31 March 2022	**5,662.30**	**2.50**	**5,664.80**

Reflected in the Consolidated Balance Sheet as follows:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Deferred tax assets	1,612.71	1,547.12
Deferred tax liabilities	3,029.65	2,473.02
Deferred tax liabilities (net)	**1,416.94**	**925.90**

Reconciliation of deferred tax liabilities (net):

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Balance as at the commencement of the year	925.90	521.80
Charge during the year recognised in profit or loss	448.79	525.79
Charge/(credit) during the year recognised in OCI	5.42	(117.80)
Foreign currency translation adjustment	152.19	39.52
Credit during the year recognised in amalgamation reserve	(115.36)	-
Adjustment on account of reorganisation of subsidiary companies	-	16.05
Transferred pursuant to the Composite Scheme (refer note 31)	-	(59.46)
Balance as at the end of the year	**1,416.94**	**925.90**

Deferred tax assets not recognised in respect of certain subsidiaries is as below:

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Temporary differences	Deferred tax on temporary differences	Temporary differences	Deferred tax on temporary differences
Deductible temporary differences	2,383.39	511.28	1,446.34	314.17
Less: taxable temporary differences	1,385.21	290.96	640.22	134.57
Net unrecognised temporary differences	**998.17**	**220.32**	**806.12**	**179.60**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

The Group has determined that below undistributed profits of certain subsidiaries will not be distributed in the foreseeable future:

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Undistributed earnings of subsidiaries	58,809.26	50,969.36

DTA has not been recognised on temporary differences in relation to indexation benefit of investment in subsidiaries and freehold land amounting to ₹5,325.63 million (31 March 2021: ₹4,810.65) and ₹57.09 million (31 March 2021: ₹46.75 million) respectively, as the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

Expiry period of unused tax losses:

Below is the summary of unused tax losses and unabsorbed depreciation available to reduce future income taxes and the period of expiry if the same is not used:

(₹ in million)

Tax jurisdictions	As at			
	31 March 2022		31 March 2021	
	Unused tax losses	Period of expiry	Unused tax losses	Period of expiry
India - tax losses	5.19	2023 to 2030	3.01	2023 to 2029
India - unabsorbed depreciation	1.98	Indefinite period	1.59	Indefinite period
United States	2,022.29	Indefinite period	944.07	Indefinite period
Canada	-	-	0.53	2029 to 2041
Belgium	239.79	Indefinite period	236.80	Indefinite period
Australia	2.37	Indefinite period	2.93	Indefinite period

Tax related contingencies: Refer note 38.

Note 9. Other non-current assets

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Capital advances	906.63	408.97
Others	9.46	-
Total other non-current assets	**916.09**	**408.97**

Note 10. Inventories

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Raw materials *	4,027.05	3,711.57
Work-in-progress	3,792.58	3,472.20
Finished goods *	2,765.86	2,465.34
Stock-in-trade *	380.20	290.05
Stores and spares *	1,569.62	1,343.18
Others- process chemicals and fuels *	13.38	11.47
Total inventories	**12,548.69**	**11,293.81**
* Goods in transit included in the above		
Raw materials	386.02	238.04
Finished goods	240.87	35.44
Stock-in-trade	167.72	1.19
Stores and spares	7.13	5.41
Total goods in transit	**801.74**	**280.08**
Total write down of inventories recognised during the year	**1,729.46**	**918.18**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 11. Trade receivables

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Unsecured and current		
Trade receivables - considered good	9,276.87	8,178.48
Receivables from related parties (refer note 37)	97.25	20.56
Trade receivables - credit impaired	164.61	219.81
Less: Expected credit loss allowance (refer note 34)	(258.79)	(219.81)
Total trade receivables	**9,279.94**	**8,199.04**

Trade receivables ageing schedule as at 31 March 2022:

(₹ in million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	6,634.22	2,439.24	253.29	24.30	8.11	14.96	9,374.12
Undisputed trade receivables – credit impaired	0.04	7.19	16.45	11.15	11.55	112.23	158.61
Disputed trade receivables – credit impaired	-	-	-	0.82	0.59	4.59	6.00
	6,634.26	**2,446.43**	**269.74**	**36.27**	**20.25**	**131.78**	**9,538.73**
Less: Expected credit loss allowance							(258.79)
Total trade receivables							**9,279.94**

Trade receivables ageing schedule as at 31 March 2021:

(₹ in million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	6,044.33	2,097.50	35.23	13.50	6.22	2.26	8,199.04
Undisputed trade receivables – credit impaired	0.01	15.59	27.57	26.37	39.28	105.10	213.92
Disputed trade receivables – credit impaired	-	-	0.82	0.56	4.51	-	5.89
	6,044.34	**2,113.09**	**63.62**	**40.43**	**50.01**	**107.36**	**8,418.85**
Less: Expected credit loss allowance							(219.81)
Total trade receivables							**8,199.04**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 12. (a) Cash and cash equivalents

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Balances with banks		
- current accounts	9,485.07	4,757.49
- dividend accounts	35.56	40.22
- deposit accounts with original maturity up to three months	266.41	130.00
Cash on hand	0.39	0.65
Cheques/drafts on hand	26.41	-
Others		
- Funds in transit	24.22	91.11
- Imprest	0.13	0.10
Total cash and cash equivalents (1)	**9,838.19**	**5,019.57**

Note:

(1) ₹35.56 million (31 March 2021: ₹40.22 million) has restricted use.

Note 12. (b) Other bank balances

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Deposits accounts with maturity up to twelve months from the reporting date	4.18	1,693.60
Total other bank balances (1)	**4.18**	**1,693.60**

Note:

(1) ₹4.18 million (31 March 2021: ₹61.97 million) has restricted use.

Note 13. Other current assets

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Prepaid expenses	833.54	823.74
Recoverable from/balance with government authorities (refer note 42(a))	1,306.36	1,156.00
Advance to employees	42.76	16.75
Advance for supply of goods and services	312.10	134.70
Others	32.94	3.22
Total other current assets	**2,527.70**	**2,134.41**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 14. Equity share capital

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Authorised*		
1,430,200,000 (31 March 2021 : 1,430,200,000) equity shares of ₹1 each	1,430.20	1,430.20
	1,430.20	**1,430.20**
Issued and subscribed		
159,313,139 (31 March 2021 : 159,313,139) equity shares of ₹1 each	159.31	159.31
	159.31	**159.31**
Paid up capital		
159,281,139 (31 March 2021 : 159,281,139) equity shares of ₹1 each	159.28	159.28
Add: Equity shares forfeited (paid up)	0.02	0.02
	159.30	**159.30**
Less: 107,140 (31 March 2021: 107,140) treasury shares held in trust for employees under ESOP scheme	(0.11)	(0.11)
	159.19	**159.19**

*During the year ended 31 March 2021, authorised share capital of the Company has increased on account of amalgamation of certain promoter controlled entities pursuant to the Composite Scheme (refer note 31).

Movement in equity share capital:

	31 March 2022		31 March 2021	
	Number	**₹ in million**	**Number**	**₹ in million**
At the commencement and at the end of the year#	159,281,139	159.28	159,281,139	159.28

#Refer note 31

Terms and rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having par value of ₹1 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

Details of shareholders holding more than 5% shares in the Company:

Equity shares of ₹1 each fully paid-up held by	31 March 2022		31 March 2021	
	Number	**% of total shares**	**Number**	**% of total shares**
SPB Trustee Company Private Limited & SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,686,161	20.52%	32,686,161	20.52%
HSB Trustee Company Private Limited & HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Disclosure of shareholding of promoters:

Shareholding of promoters as at 31 March 2022 is as follows:

Promoter name	31 March 2022		31 March 2021		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
- Mr. Hari Shanker Bhartia	360,885	0.23%	360,885	0.23%	-
- Ms. Kavita Bhartia	10,285	0.01%	10,285	0.01%	-
- Mr. Priyavrat Bhartia	3,085	0.00%	3,085	0.00%	-
- Mr. Shamit Bhartia	129,245	0.08%	129,245	0.08%	-
- Jaytee Private Limited	7,600	0.00%	7,600	0.00%	-
- Nikita Resources Private Limited	35,04,540	2.20%	35,04,540	2.20%	-
- HSB Trustee Company Private Limited & HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%	-
- SPB Trustee Company Private Limited & SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,686,161	20.52%	32,686,161	20.52%	-
- MAV Management Advisors LLP	5,011,400	3.15%	5,011,400	3.15%	-
- Jubilant Enpro Private Limited	2,116,000	1.33%	2,116,000	1.33%	-
- Mr. Shyam Sunder Bhartia	1,399,925	0.88%	1,399,925	0.88%	-
- Miller holdings Pte. Limited	5,230,455	3.28%	5,230,455	3.28%	-
Total	**80,717,056**	**50.68%**	**80,717,056**	**50.68%**	**-**

Shareholding of promoters as at 31 March 2021 is as follows:

Promoter name	31 March 2021		31 March 2020		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
- Mr. Hari Shanker Bhartia	360,885	0.23%	360,885	0.23%	-
- Ms. Kavita Bhartia	10,285	0.01%	10,285	0.01%	-
- Mr. Priyavrat Bhartia	3,085	0.00%	3,085	0.00%	
- Mr. Shamit Bhartia	129,245	0.08%	129,245	0.08%	-
- Jaytee Private Limited	7,600	0.00%	7,600	0.00%	-
- Nikita Resources Private Limited	3,504,540	2.20%	3,504,540	2.20%	-
- HSB Trustee Company Private Limited & HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	-	-	19.00%
- SPB Trustee Company Private Limited & SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,686,161	20.52%	-	-	20.52%
- Jubilant Stock Holding Private Limited	-	-	21,361,992	13.41%	(13.41%)
- HSB Corporate Consultants Private Limited	-	-	19,278,979	12.11%	(12.11%)
- SSB Consultants and Management Services Private Limited	-	-	21,587,665	13.55%	(13.55%)
- MAV Management Advisors LLP	5,011,400	3.15%	5,011,400	3.15%	-
- Jubilant Enpro Private Limited	2,116,000	1.33%	2,831,000	1.78%	(0.45%)
- Mr. Shyam Sunder Bhartia	1,399,925	0.88%	1,399,925	0.88%	-
- Miller holdings Pte. Limited	5,230,455	3.28%	5,230,455	3.28%	-
Total	**80,717,056**	**50.68%**	**80,717,056**	**50.68%**	**-**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 15. Nature and purpose of other equity

- *Capital reserve*

  Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently. This includes the excess of cost of treasury shares purchased from secondary market over the face value of such shares. This also includes reserves arising on transaction with non-controlling interest.

- *Securities premium*

  The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

- *Capital redemption reserve*

  Capital redemption reserve represents the unutilized accumulated amount set aside at the time of redemption of shares. This reserve is utilised in accordance with the provisions of the Act.

- *Amalgamation reserve*

  Amalgamation reserve represents the unutilized accumulated surplus/(deficit) created at the time of amalgamation of another company with the Company. This reserve is not available for distribution of dividend and is expected to remain invested permanently.

- *General reserve*

  This represents appropriation of profit by the Company and is available for distribution of dividend.

- *Legal reserve*

  This represents the statutory reserves created based on the requirements of local regulations. This reserve is not available for distribution.

- *Share based payment reserve*

  The fair value of the equity settled share based payment transactions with employees is recognised in Consolidated Statement of Profit and Loss with corresponding credit to share based payment reserve.

- *Retained earnings*

  Retained earnings represent the amount of accumulated earnings of the Group and re-measurement differences on defined benefit plans.

- *Equity instrument through OCI*

  The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Group transfers amount therefrom to retained earnings when the relevant equity securities are derecognised.

- *Foreign currency translation reserve*

  Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group disposes or partially disposes off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity.

  Also refer note 31.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 16. (A) Non-current borrowings

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Bonds		
6% senior notes (unsecured)	15,068.43	14,493.79
Term loans		
From banks		
Indian rupee loans (secured)	750.00	207.78
Foreign currency loans (unsecured)	7,564.61	10,938.15
From other parties		
Foreign currency loans (secured)	1,259.38	-
Total non-current borrowings	**24,642.42**	**25,639.72**
Add: Current maturities of non-current borrowings (refer note 16(B))	3,993.74	-
Total non-current borrowings (including current maturities)	**28,636.16**	**25,639.72**

Note 16. (B) Current borrowings

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Current maturities of non-current borrowings (refer note 16(A))	3,993.74	-
Loans repayable on demand		
From banks		
Secured	640.00	200.01
Total current borrowings	**4,633.74**	**200.01**

16.1 Nature of security and other terms of repayment of borrowings as at 31 March 2022

16.1.1 Unsecured 6.00% senior notes amounting to USD 200.00 million (₹15,158.50 million) issued by Jubilant Pharma limited are repayable in single installment in March 2024.

16.1.2 Unsecured term loans amounting to USD 150.00 million (₹11,368.88 million), carrying interest rate of LIBOR+2.60%, is repayable in 6 equal quarterly installments from October 2022.

16.1.3 Secured term loan amounting to USD 19.33 million (₹1,465.00 million) is secured by way of security interest in and to the equipment financed through such term loan. The term loan carries interest rate of 1.8576% per annum and is repayable in monthly installments ending in December 2028.

16.1.4 Indian rupee term loans amounting to ₹750.00 million from The Hongkong and Shanghai Banking Corporation Limited are secured by a first pari-passu charge on all movable fixed assets of the company, both present and future. The Indian rupee term loan is repayable in 16 equal quarterly installments from March 2023. The loan carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2022, the loans carry interest rate ranging from 6.23% to 7.10% per annum.

16.1.5 Working capital facilities (including cash credit) sanctioned by consortium of banks and notified financial institutions are secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts and receivables and inventories, both present and future, of Jubilant Generics Limited wherever the same may be or be held. Working capital loans are repayable as per terms of agreement within one year.

Short-term loans are availed in Indian rupees. Indian rupee loans carry interest rate ranging from 3.62% to 7.75% per annum.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

16.2 Nature of security and other terms of repayment of borrowings as at 31 March 2021

Parent Company

16.2.1 Refer note 31 for borrowings transferred to Jubilant Ingrevia Limited pursuant to the Composite Scheme.

Other entities

16.2.2 Unsecured 4.875% senior notes amounting to USD Nil (₹ Nil) issued by Jubilant Pharma limited were repayable in single installment in October 2021, with a prepayment option. During the year ended 31 March 2021, the Group early redeemed USD 200 million in aggregate principal amount of these Senior Notes on a pro-rata basis with accrued interest and redemption premium as per the terms, and cancelled equivalent amount of Senior Notes upon redemption. Redemption of USD 200 million Senior Notes was through refinancing of USD 150 million and balance out of internal accruals.

16.2.3 Unsecured 6.00% senior notes amounting to USD 200.00 million (₹14,622.00 million) issued by Jubilant Pharma limited were repayable in single installment in March 2024.

16.2.4 Unsecured term loans amounting to USD 150.00 million (₹10,966.50 million), carrying interest rate of LIBOR+2.60%, was repayable in 6 equal quarterly installments from October 2022.

16.2.5 Indian rupee term loans amounting to ₹207.78 million from The Hongkong and Shanghai Banking Corporation Limited were secured by a first pari-passu charge on all movable fixed assets of the company, both present and future. The Indian rupee term loan was repayable in 16 equal quarterly installments from March 2023. The loan carried floating interest rate calculated in accordance with the terms of the arrangement which was a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2021, the loans carry interest rate of 6.50% per annum.

16.2.6 Working capital facilities (including cash credit) sanctioned by consortium of banks and notified financial institutions were secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts and receivables and inventories, both present and future, of Jubilant Generics Limited wherever the same may be or be held. Working capital loans were repayable as per terms of agreement within one year.

Short-term loans (includes commercial papers raised during the year) were availed in Indian rupees. Indian rupee loans carried interest rate ranging from 3.78% to 9.20% per annum.

16.3 Assets pledged as security

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at year end:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Leasehold land, property, plant and equipment and intangible assets	2,673.08	6,810.46
Inventories	8,678.14	8,054.78
Financial assets	9,164.12	4,617.97
Other assets	192.33	1,003.35
	20,707.67	**20,486.56**

16.4 Reconciliation of movements of liabilities (borrowings, lease liabilities and interest accrued) to cash flows arising from financing activities:

(₹ in million)

	31 March 2022	**31 March 2021**
As at the beginning of the year	28,409.22	48,523.20
Movement due to cash transactions as per the consolidated statement of cash flows	474.54	(16,978.50)
Movement due to:		
- Finance cost expensed	1,454.86	2,685.20
- Finance cost capitalised	31.09	99.76
- Lease liabilities	648.71	101.63
- Foreign exchange movement	1,044.38	215.74
- Others	(11.84)	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	(6,237.81)
As at the end of the year	**32,050.96**	**28,409.22**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 17. Provisions

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Provision for employee benefits (refer note 32)	572.49	511.21	593.59	532.31
Decommissioning provisions	-	445.45	-	407.78
Provision for sales return	295.90	-	304.47	-
Total provisions	**868.39**	**956.66**	**898.06**	**940.09**

The following table presents the movement in the decommissioning provisions during the year:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Balance at the beginning of the year	407.78	380.92
Provision made during the year	17.59	31.99
Unwinding of discount	11.84	13.05
Utilised during the year	(7.12)	(4.69)
Foreign currency translation adjustment	15.36	(13.49)
Balance at the end of the year	**445.45**	**407.78**

Decommissioning provision arises from regulatory and contractual requirements to perform certain asset disposal activities at the time that certain leased premises are vacated and certain machinery and equipment is disposed off.

The following table presents the movement in the provisions for sales return during the year:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Balance at the beginning of the year	304.47	345.61
Provisions made during the year	323.72	215.55
Credits issued during the year	(342.75)	(245.97)
Foreign currency translation adjustments	10.46	(10.72)
Balance at the end of the year	**295.90**	**304.47**

Note 18. Trade payables

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 30)	62.86	22.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,614.54	5,182.44
Total trade payables	**5,677.40**	**5,204.84**
Amount payable to related parties included in the above (refer note 37)	82.31	172.52

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Trade payables ageing schedule as at 31 March 2022:

(₹ in million)

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	1.54	54.90	6.42	-	-	-	62.86
Other than micro enterprises and small enterprises	2,765.53	1,822.51	927.26	59.24	22.56	17.44	5,614.54
Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues - other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total trade payables	**2,767.07**	**1,877.41**	**933.68**	**59.24**	**22.56**	**17.44**	**5,677.40**

Trade payables ageing schedule as at 31 March 2021:

(₹ in million)

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	-	6.16	16.24	-	-	-	22.40
Other than micro enterprises and small enterprises	1,943.29	1,986.03	1,207.22	24.65	7.12	14.13	5,182.44
Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues - other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total trade payables	**1,943.29**	**1,992.19**	**1,223.46**	**24.65**	**7.12**	**14.13**	**5,204.84**

Note 19. Other financial liabilities

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Non-current		
Employee benefits payable	5.04	-
Total other non-current financial liabilities	**5.04**	**-**
Current		
Interest accrued	130.94	113.59
Unpaid dividend	35.56	40.22
Security deposit	2.70	2.44
Capital creditors *	387.05	336.85
Employee benefits payable	1,778.40	1,674.40
Other payables	16.20	39.00
Total other current financial liabilities	**2,350.85**	**2,206.50**

* Includes outstanding dues of micro enterprises and small enterprises of ₹0.69 million (31 March 2021: ₹71.18 million)

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 20. Other liabilities

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Non-current		
Contract liabilities	30.48	27.89
Deferred income - government grant	42.48	47.82
Statutory dues payables	-	194.50
Total other non-current liabilities	**72.96**	**270.21**
Current		
Contract liabilities	902.04	536.83
Deferred income - government grant	7.77	7.77
Statutory dues payables	608.83	464.87
Total other current liabilities	**1,518.64**	**1,009.47**

Note 21. Revenue from operations

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Sale of products	42,919.88	43,012.07
Sale of services	17,671.77	16,626.69
Other operating revenue (refer note 42(a))	709.99	1,346.59
Total revenue from operations	**61,301.64**	**60,985.35**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Disaggregation of revenue

In the following table, revenue from sale of product and services is disaggregated by primary geographical market and major products/service lines.

(₹ in million)

	For the year ended 31 March 2022					For the year ended 31 March 2021				
	Pharmaceuticals	Contract Research and Development Services	Proprietary Novel Drugs	Management Services	Total	Pharmaceuticals	Contract Research and Development Services	Proprietary Novel Drugs	Management Services	Total
Primary geographical markets										
- India	2,865.78	8.90	-	202.49	3,077.17	2,283.47	33.96	-	-	2,317.43
- Americas and Europe	48,643.90	4,139.14	18.41	-	52,801.45	50,786.32	2,707.30	36.60	-	53,530.22
- China	81.92	44.47	-	-	126.39	15.90	47.51	-	-	63.41
- Rest of the world	4,238.50	348.14	-	-	4,586.64	3,480.53	247.17	-	-	3,727.70
Total	**55,830.10**	**4,540.65**	**18.41**	**202.49**	**60,591.65**	**56,566.22**	**3,035.94**	**36.60**	**-**	**59,638.76**
Major products/service lines										
- Radiopharmaceuticals	20,972.23	-	-	-	20,972.23	18,623.30	-	-	-	18,623.30
- Contract manufacturing operations	13,233.13	-	-	-	13,233.13	13,517.47	-	-	-	13,517.47
- Allergy therapy products	4,888.47	-	-	-	4,888.47	3,884.48	-	-	-	3,884.48
- Solid dosage formulations	9,310.13	-	-	-	9,310.13	12,757.99	-	-	-	12,757.99
- Active pharmaceutical ingredients	5,237.58	-	-	-	5,237.58	5,972.66	-	-	-	5,972.66
- Contract Research and Development Services	-	4,540.65	-	-	4,540.65	-	3,035.94	-	-	3,035.94
- India branded pharmaceuticals	2,188.56	-	-	-	2,188.56	1,810.32	-	-	-	1,810.32
- Management Services	-	-	-	202.49	202.49	-	-	-	-	-
- Proprietary Novel Drugs	-	-	18.41	-	18.41	-	-	36.60	-	36.60
Total	**55,830.10**	**4,540.65**	**18.41**	**202.49**	**60,591.65**	**56,566.22**	**3,035.94**	**36.60**	**-**	**59,638.76**

Reconciliation of the disaggregated revenue with the Group's reportable segments (refer note 36)

(₹ in million)

	For the year ended 31 March 2022					For the year ended 31 March 2021				
	Pharmaceuticals	Contract Research and Development Services	Proprietary Novel Drugs	Management Services	Total	Pharmaceuticals	Contract Research and Development Services	Proprietary Novel Drugs	Management Services	Total
Revenue from sale of products and services	55,830.10	4,540.65	18.41	202.49	60,591.65	56,566.22	3,035.94	36.60	-	59,638.76
Other operating revenue	676.94	33.05	-	-	709.99	1,330.53	16.06	-	-	1,346.59
Total	**56,507.04**	**4,573.70**	**18.41**	**202.49**	**61,301.64**	**57,896.75**	**3,052.00**	**36.60**	**-**	**60,985.35**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Contract balances

(₹ in million)

	As at		
	31 March 2022	31 March 2021	1 April 2020
Trade receivables	9,279.94	8,199.04	12,932.16
Unbilled receivables	634.49	493.49	389.61
Contract liabilities	932.52	564.72	649.87

The amount of ₹342.14 million and ₹301.78 million recognised in contract liabilities at the beginning of the year has been recognised as revenue for the years ended 31 March 2022 and 31 March 2021, respectively.

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Contracted price	68,475.83	68,432.22
Reductions towards variable consideration components	(7,884.18)	(8,793.46)
Revenue recognised	**60,591.65**	**59,638.76**

The reduction towards variable consideration primarily comprises of volume discounts, price discounts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations, excluding those where original expected duration of one year or less, amounts to ₹1,106.54 million (31 March 2021: ₹1,566.87) majority of which is expected to be recognised as revenue in the next two years.

Note 22. Other income

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Interest income	24.51	80.97
Gain on investments at fair value through profit or loss	1.47	28.23
Other non-operating income	86.90	67.18
Total other income	**112.88**	**176.38**

Note 23. Cost of materials consumed

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Raw materials consumed	13,487.04	13,487.50
Total cost of materials consumed	**13,487.04**	**13,487.50**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 24. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Opening balance		
Work-in progress	3,472.20	4,639.91
Finished goods	2,465.34	5,390.93
Stock-in-trade	290.05	158.24
Total opening balance	**6,227.59**	**10,189.08**
Closing balance		
Work-in progress	3,792.58	3,472.20
Finished goods	2,765.86	2,465.34
Stock-in-trade	380.20	290.05
Total closing balance	**6,938.64**	**6,227.59**
Less: Transferred pursuant to the Composite Scheme (refer note 31)	-	(2,987.02)
Foreign currency translation adjustment	87.81	(188.23)
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**(623.24)**	**786.24**
Less: Relates to transferred business shown as discontinued operation (refer note 31)	-	589.90
	(623.24)	**196.34**

Note 25. Employee benefits expense

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Salaries, wages, bonus, gratuity and allowances	17,050.72	16,156.79
Contribution to provident fund, superannuation and other funds	1,639.46	1,543.59
Employee share-based payment expense	11.24	2.46
Staff welfare expenses	1,732.52	1,525.93
Total employee benefits expense	**20,433.94**	**19,228.77**

Note 26: Finance costs

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Interest expense	1,382.41	1,733.57
Other finance costs	72.45	107.40
Total finance costs	**1,454.86**	**1,840.97**

Note:

(1) Refer note 42(b) for finance costs capitalised.

Note 27: Depreciation, amortisation and impairment expense

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	2,257.99	2,964.13
Depreciation of right-of-use assets	663.58	667.38
Amortisation and impairment of intangible assets (refer note 43)	895.47	884.97
	3,817.04	**4,516.48**
Less : Expense relating to discontinued operations (refer note 31)	-	(1,027.01)
Total depreciation, amortisation and impairment expense	**3,817.04**	**3,489.47**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 28: Other expenses

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Power and fuel	1,342.98	1,057.89
Consumption of stores and spares and packing materials	2,989.86	2,174.39
Processing charges	949.97	705.84
Rental charges	44.95	49.08
Rates and taxes	755.77	675.55
Insurance	442.71	459.27
Advertisement, publicity and sales promotion	259.84	161.77
Travel and conveyance	371.84	160.41
Repairs and maintenance:		
i. Plant and machinery	658.62	674.21
ii. Buildings	464.65	377.47
iii. Others	463.54	473.92
Office expenses	346.97	376.12
Vehicle running and maintenance	96.53	88.16
Printing and stationery	106.75	100.36
Telephone and communication charges	178.66	218.67
Staff recruitment and training	239.13	195.06
Donation [including corporate social responsibility expenditure (refer note 41)]	95.77	103.25
Payments to statutory auditors	14.89	15.96
Legal and professional fees	1,821.70	1,628.70
Freight and forwarding (including ocean freight)	953.03	980.46
Subscription	144.41	94.18
Claims and other selling expenses	537.89	280.95
Commission on sales	346.37	348.28
Loss on disposal of property, plant and equipment (net)	33.70	66.91
Net foreign exchange loss	464.53	644.67
Miscellaneous expenses	299.30	320.31
Total other expenses	**14,424.36**	**12,431.84**

Note 29: Income tax

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Profit or loss section		
Current tax:		
Current tax charge for the year	1,805.54	2,640.42
Adjustments in respect of current income tax of previous years	(80.02)	58.67
	1,725.52	**2,699.09**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Deferred tax:		
Deferred tax on profits for the year	305.37	315.68
Adjustments in respect of deferred tax of previous years	143.42	(42.59)
	448.79	**273.09**
Income tax expense of continuing operations	**2,174.31**	**2,972.18**
Income tax expense of discontinued operations	**-**	**791.81**
Income tax expense	**2,174.31**	**3,763.99**
OCI section:		
Current tax:		
Current tax charge for the year	100.10	-
	100.10	**-**
Deferred tax:		
Tax related to items that will not be reclassified to profit or loss	5.42	0.15
Tax related to items that will be reclassified to profit or loss	-	(114.17)
	5.42	**(114.02)**
Income tax expense/(benefit) of continuing operations	**105.52**	**(114.02)**
Income tax benefit of discontinued operations	**-**	**(3.78)**
Income tax expense/(benefit)	**105.52**	**(117.80)**
Equity section:		
Current tax:		
Tax expense related to items recognised in merger reserve	176.68	-
	176.68	**-**
Deferred tax:		
Tax benefit related to items recognised in merger reserve	(115.36)	-
	(115.36)	-
Income tax expense of continuing operations	61.32	-
Income tax expense of discontinued operations	-	-
Income tax expense	**61.32**	**-**

During the year, pursuant to an Asset Purchase Agreement between Jubilant DraxImage Inc., Canada ("JDI"), a subsidiary company and Jubilant Draximage Radiopharmacies Inc, USA ("JDRI"), another subsidiary company, JDI acquired the radiopharmacies business of JDRI for a consideration of ₹1,870.62 million. This transfer being a transaction between common control entities, the difference in applicable tax on this transaction in the two subsidiaries amounting to ₹61.32 million has been recorded in amalgamation reserve in the consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Reconciliation between average effective tax rate and applicable tax rate for the year:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Profit before tax from continuing operations	6,304.47	8,710.76
Profit before tax from discontinued operations	-	3,409.34
Profit before tax	**6,304.47**	**12,120.10**
At statutory income tax rate 34.944% (31 March 2021: 34.944%)	2,203.04	4,235.25
- Effect of non-deductible expenses and exempt income	225.63	354.41
- Incremental allowance for research and development and other capital expenditure	(9.85)	(167.33)
- Effect of prior year taxes	63.40	(26.50)
- Unrecognised deferred tax (including MAT credit)	91.84	78.09
- Differences in other countries tax rates	(424.37)	(676.82)
- Tax effect on reversal of temporary differences	-	(167.19)
- Effect of change in tax rate of current year	(0.88)	(44.46)
- Others	25.50	178.54
Income tax expense reported in the consolidated statement of profit and loss	**2,174.31**	**3,763.99**
Income tax expense of continuing operations	2,174.31	2,972.18
Income tax expense of discontinued operations	-	791.81

Note 30. Micro, small and medium enterprises

There are no micro, small and medium enterprises, to whom the Indian entities owes dues, which are outstanding for more than 45 days as at the end of year. 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 Indian entities.

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
The principal amount remaining unpaid to any supplier as at the end of the year	63.55	93.58
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	0.03	0.35
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	0.03	0.35
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	-	-

Note 31. Composite scheme of arrangement

The Board of Directors of the Company at its meeting held on 25 October 2019 had approved the Composite Scheme of Arrangement ("Composite Scheme") and subsequently filed with National Company Law Tribunal ("NCLT") for: (a) amalgamation of HSB Corporate Consultants Private Limited ("Transferor Company 1"), Jubilant Stock Holding Private Limited ("Transferor Company 2"), SSB Consultants & Management Services Private Limited ("Transferor Company 3"), JCPL Life Science Ventures and Holdings Private Limited ("Transferor Company 4") and JSPL Life Science Services and Holdings Private Limited ("Transferor Company 5") [collectively, the "Transferor Companies"] into the Company; and (b) demerger of the Life Science Ingredients ("LSI") Business into Jubilant Ingrevia Limited (the "Resulting Entity").

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

The Composite Scheme was approved by Honourable NCLT, Allahabad Bench vide its order dated 23 December 2020 (formal order received on 6 January 2021).

Amalgamation

In terms of the Composite Scheme, Transferor Company 1, Transferor Company 2 and Transferor Company 3 amalgamated into the Company. The said NCLT order was filed with the Registrar of Companies by these transferor companies and the Company on 8 January 2021 thereby making the Composite Scheme effective for these transferor companies. On amalgamation, 62,943,636 equity shares of the Company held by these transferor companies were automatically cancelled on and from the effective date. Simultaneously and concurrent with such cancellation the Company issued and allotted equivalent number of equity shares i.e. 62,943,636 of ₹1 each fully paid up to Transferor Company 4 and Transferor Company 5 who are the shareholders of Transferor Company 1, Transferor Company 2 and Transferor Company 3 as on the Record Date i.e. 8 January 2021.

Further, in terms of the Composite Scheme, after occurrence of the above amalgamation, Transferor Company 4 and Transferor Company 5 amalgamated into the Company. The said NCLT order was filed with the Registrar of Companies by these transferor companies and the Company on 18 January 2021 thereby making the Composite Scheme effective for these transferor companies. On amalgamation, 62,943,636 equity shares of the Company held by these transferor companies were automatically cancelled on and from the effective date. Simultaneously and concurrent with such cancellation the Company issued and allotted equivalent number of equity shares i.e. 62,943,636 of ₹1 each fully paid up to the shareholders of Transferor Company 4 and Transferor Company 5 as on the Record Date i.e. 18 January 2021.

Accounting of amalgamation as per approved Composite Scheme:

(i) The Company recorded the assets, liabilities and reserves of the Transferor Companies, vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Companies;

(ii) The loans and advances or payables or receivables or any other investment or arrangement of any kind, held inter se, between the Transferor Companies and the Company was cancelled. The Company cancelled its equity shares held by the Transferor Companies and issued equivalent numbers of its equity shares to the shareholders of the Transferor Companies in accordance with the Composite Scheme; and

(iii) The difference between the book value of assets, liabilities and reserves as reduced by the face value of the equity shares issued by the Company and after considering the cancellation of inter-company investments was recorded within Other Equity of the Company.

The book value of assets, liabilities and reserves acquired from Transferor Companies were:

(₹ in million)

	Amount
ASSETS	
Non-current assets	
Financial assets	
i. Investments	2,564.59
ii. Loans	0.02
Income tax assets (net)	0.55
Total non-current assets	**2,565.16**
Current assets	
Financial assets	
i. Cash and cash equivalents	0.05
Total current assets	**0.05**
Total assets	**2,565.21**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

(₹ in million)

	Amount
EQUITY AND LIABILITIES	
Equity	
Other equity	
- Capital reserve	(144.17)
- Capital Redemption Reserve	569.00
- Retained earnings	1,992.35
Total equity	**2,417.18**
Liabilities	
Total liabilities	**-**
Total equity and liabilities	**2,417.18**

(₹ in million)

	Amount
Net assets acquired	148.03
Less: Equity shares issued to the shareholders of the Transferor Companies	62.94
Balance recognised under amalgamation reserve	**85.09**
Cancellation of investments held by the Transferor Companies	**(2,564.59)**
Adjusted against equity of the Company and reserves of Transferor Companies acquired pursuant to amalgamation:	
- Equity share capital	(62.94)
- Amalgamation reserve	(85.09)
- Capital reserve	144.17
- Capital redemption reserve	(569.00)
- Retained earnings	(1,991.73)
	(2,564.59)
Net reserves acquired pursuant to amalgamation	
- Retained earnings	0.62

Demerger

The said NCLT order was filed with the Registrar of Companies by the Resulting Entity and the Company on 1 February 2021 thereby making the Composite Scheme effective. In terms of the Composite Scheme, all assets and liabilities of the LSI Business of the Company stands transferred and vested into the Resulting Entity on 1 February 2021, being the Demerger Appointed Date as per the Composite Scheme for the demerger of LSI Business. Effective that date, the name of the Company has changed to Jubilant Pharmova Limited from Jubilant Life Sciences Limited.

Accounting of Demerger as per approved Composite Scheme:

(i) the Company reduced the book values of assets and liabilities of the LSI Business as at the close of business on the day immediately preceding the Demerger Appointed Date in its books of accounts;

(ii) the Company made an adjustment equal to the book values of the LSI Business, first in the Securities Premium to the extent available, thereafter in the General Reserve to the extent available and residual balance in the Retained Earnings under the head "Other Equity"; and

(iii) the carrying value of the investment in equity shares of the Resulting Entity to the extent held by the Company amounting to ₹0.50 million were cancelled.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

The book value of assets and liabilities transferred on consolidated basis are as under:

(₹ in million)

	Amount
ASSETS	
Non-current assets	
Property, plant and equipment	17,513.30
Capital work-in-progress	639.93
Other intangible assets	104.58
Intangible assets under development	30.10
Right-of-use assets	470.45
Financial assets	
i. Investments	427.66
ii. Loans	5.38
iii. Other financial assets	132.40
Deferred tax assets (net)	131.93
Income tax assets (net)	33.60
Other non-current assets	25.92
Total non-current assets	**19,515.25**
Current assets	
Inventories	5,721.17
Financial assets	
i. Trade receivables	4,691.96
ii. Cash and cash equivalents	769.36
iii. Other bank balances	192.69
iv. Loans	5.87
v. Other financial assets	203.36
Other current assets	1,599.93
Total current assets	**13,184.34**
Total assets	**32,699.59**
LIABILITIES	
Non-current liabilities	
Financial liabilities	
i. Borrowings	5,184.48
ii. Lease liabilities	59.83
Provisions	640.69
Deferred tax liabilities (net)	191.39
Total non-current liabilities	**6,076.39**
Current liabilities	
Financial liabilities	
i. Short term borrowings	889.93
ii. Lease liabilities	17.48
iii. Trade payables	6,118.49
iv. Other financial liabilities	506.89
Other current liabilities	261.94
Provisions	170.55
Current tax liabilities (net)	22.44
Total current liabilities	**7,987.72**
Total liabilities	**14,064.11**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

The Group presented the LSI Business as discontinued operations during the year ended on 31 March 2021 in accordance with Ind AS 105 as below:

(a) Results of discontinued operations

(₹ in million)

	For the period 1 April 2020 to 31 January 2021
Revenue from operations	28,069.78
Other income	122.00
Total income	**28,191.78**
Expenses	
Cost of materials consumed	13,240.56
Purchases of stock-in-trade	834.36
Changes in inventories of finished goods, stock-in-trade and work-in-progress	589.90
Employee benefits expense	2,499.51
Finance costs	631.92
Depreciation, amortisation and impairment expense	1,027.01
Other expenses	5,959.18
Total expenses	**24,782.44**
Profit before exceptional items and tax	**3,409.34**
Exceptional items	-
Profit from discontinued operations before tax	**3,409.34**
Tax expense	
- Current tax	539.11
- Deferred tax charge	252.70
Total tax expense	**791.81**
Profit for the year from discontinued operations	**2,617.53**
Other comprehensive income/(loss) from discontinued operations	
Items that will not be reclassified to profit or loss	
Changes in fair value of equity investments which are classified at fair value through OCI	6.75
Remeasurement of defined benefit obligations	(11.02)
Income tax relating to items that will not be reclassified to profit or loss	3.78
	(0.49)
Items that will be reclassified to profit or loss	
Exchange differences on translation of foreign operations	(13.14)
Income tax relating to items that will be reclassified to profit or loss	-
	(13.14)
Other comprehensive loss for the year from discontinued operations, net of tax	**(13.63)**
Total comprehensive income for the year from discontinued operations	**2,603.90**

(b) The net cash flows attributable to the discontinued operations are as follows:

(₹ in million)

	For the period 1 April 2020 to 31 January 2021
Net cash generated from operating activities	6,200.74
Net cash generated from investing activities	583.83
Net cash used in from financing activities	(6,209.49)
Effect of exchange rate changes	(7.90)
Net increase in cash and cash equivalents	**567.18**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 32. Employee benefits in respect of the Group have been calculated as under:

(A) Defined Contribution Plans

The Group entities located in India and Singapore have certain defined contribution plan such as provident fund, employee state insurance, employee pension scheme, employee superannuation fund wherein specified percentage is contributed to these plans. During the year, the Group has contributed following amounts to:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Employer's contribution to provident fund *(1)	66.40	53.63
Employer's contribution to employee's pension scheme*	51.55	69.50
Employer's contribution to superannuation fund*	1.53	2.91
Employer's contribution to employee state insurance*	3.03	3.72

* represents amount in respect of continuing and discontinued operations.

(1) Includes contribution for certain employees in India where provident fund is deposited with government authority e.g. Regional Provident Fund Commissioner. With effect from 1 December 2021, the Group transferred the balance in the Trust to Regional Provident Fund Commissioner and started depositing contribution with Regional Provident Fund Commissioner for all the employees.

Foreign Subsidiaries

a. The Group entities located in United States of America have a 401(k) plan, where eligible employees are permitted to participate in the defined contribution plan. Participants may voluntarily contribute eligible pre-tax and post-tax compensation of up to 100% of their annual compensation in accordance with the annual limits as determined by the Internal Revenue Service (IRS). Employees at or above the age of 50 may choose to contribute additional compensation as "catch-up" contributions in accordance with the IRS annual limits. Employees receive a 100% match of their contributions up to 3% of their eligible compensation and 50% match of their contributions over 3% upto 5% of their eligible compensation. The company's matching contributions vest 100% immediately for all employees in the United States. The Group has contributed ₹314.19 million and ₹282.26 million for the years ended 31 March 2022 and 31 March 2021, respectively.

b. The entities of the Group located in Canada contribute to a Registered Retirement Savings Plan (RRSP), a trust registered with Canada Revenue Agency (CRA) and to Quebec pension plan (QPP). Under RRSP, the Group contributes equivalent to the contribution made by the employee, up to a maximum of 5% of the employees' base salary. Under QPP, the Group contributes equivalent to the contribution made by the employees at the rate of 6.15% and 5.90% of the employees' base salary for the years ended 31 March 2022 and 31 March 2021, respectively.

   During the year, the Group has contributed following amounts to:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Registered retirement savings plan (RRSP)	63.09	65.52
Quebec pension plan (QPP)	107.54	91.50

c. Further, the entities of the Group located in Belgium contribute to social security fund named as RijksSocialeZekerheid (RSZ). Under these plan employees have to contribute 13% of their compensation and the Group makes a contribution of 33.33% of the employee's annual compensation. The Group has contributed ₹1.13 million and ₹1.86 million for the years ended 31 March 2022 and 31 March 2021, respectively.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

(B) Defined Benefit Plans

Parent Company including Indian Subsidiaries

i. 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 7.20% p.a. (31 March 2021: 6.80% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (31 March 2021: 58 years) and mortality table is as per IALM (2012-14) (31 March 2021: IALM (2012-14)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (31 March 2021: 10% p.a. for first three years and 6% p.a. thereafter), 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 certain employees of two units of the Group. The details of investments maintained by Life Insurance Corporation are not available with the Group, hence not disclosed. The expected rate of return on plan assets is 7.20% p.a. (31 March 2021: 6.80 % p.a.).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in million)

	31 March 2022	31 March 2021
Present value of obligation at the beginning of the year	449.40	966.83
Current service cost	58.65	90.08
Interest cost	30.55	64.80
Actuarial (gain)/loss	(14.81)	11.47
Benefits paid	(43.78)	(99.77)
Employees transferred out	(1.83)	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	(584.01)
Present value of obligation at the end of the year	**478.18**	**449.40**

Fair value of plan assets:**

(₹ in million)

	31 March 2022	31 March 2021
Plan assets at the beginning of the year	32.07	41.33
Expected return on plan assets	2.18	2.74
Contribution by employer	2.12	2.12
Actual benefits paid	(6.64)	(10.75)
Actuarial (loss)/gain	(0.06)	0.03
Transferred pursuant to the Composite Scheme (refer note 31)	-	(3.40)
Plan assets at the end of the year	**29.67**	**32.07**

** In respect of one location (31 March 2021: two locations), 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:

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Present value of obligation at the end of the year	478.18	449.40
Fair value of plan assets at the end of the year	(29.67)	(32.07)
Net liabilities recognised in the Balance Sheet	**448.51**	**417.33**

Group's best estimate of contribution during next year is ₹98.92 million (31 March 2021: ₹88.78 million).

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Expense recognised in the Consolidated Statement of Profit and Loss under employee benefits expense^:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Current service cost	58.65	90.08
Interest cost	28.37	62.06
Expense recognised in the Consolidated Statement of Profit and Loss	**87.02**	**152.14**

^represents amount in respect of continuing and discontinued operations.

Amount recognised in the other comprehensive income#:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Actuarial (gain)/loss due to demographic assumption change	(1.29)	0.47
Actuarial (gain)/loss due to financial assumption change	(8.19)	0.57
Actuarial (gain)/loss due to experience adjustment	(5.33)	10.43
Actuarial loss/(gain) on plan assets	0.06	(0.03)
Amount recognised in the other comprehensive income	**(14.75)**	**11.44**

#represents amount in respect of continuing and discontinued operations.

Sensitivity analysis

Discount rate (₹ in million)

	31 March 2022		31 March 2021	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(12.87)	13.64	(10.91)	11.49

Future salary increase (₹ in million)

	31 March 2022		31 March 2021	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	13.68	(13.01)	11.46	(10.76)

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.

The table below summarises the maturity profile of the defined benefit obligations:

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Within one year	113.92	116.40
Between one to three years	79.98	94.29
Between three to five years	60.47	63.96
Later than five years	223.82	174.75
	478.18	**449.40**

ii. Provident Fund:

The Group makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Trust was surrendered with effect from 31 December 2021.

The Group has contributed ₹58.96 million to provident fund (31 March 2021: ₹148.40 million) for the year.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

(C) Other long term benefits (compensated absences):

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Present value of obligation at the end of the year	635.19	708.58

Note 33. Fair value measurements

(₹ in million)

	Notes	Level of hierarchy	Carrying Value as at		Fair Value as at	
			31 March 2022	**31 March 2021**	**31 March 2022**	**31 March 2021**
Financial assets						
FVOCI						
Investments in quoted equity instruments	(c)	1	-	-	-	-
Investments in other equity instruments	(e)	3	369.27	336.67	369.27	336.67
FVPL						-
Investments in equity instruments	(e)	3	54.71	55.49	54.71	55.49
Investments in debt instruments	(e)	3	10.95	36.05	10.95	36.05
Amortised Cost						
Trade receivables	(a)		9,279.94	8,199.04	9,279.94	8,199.04
Loans	(a, b)		19.50	17.88	19.50	17.88
Cash and cash equivalents	(a)		9,838.19	5,019.57	9,838.19	5,019.57
Other bank balances	(a)		4.18	1,693.60	4.18	1,693.60
Other financial assets	(a, b)		1,057.80	1,081.19	1,057.80	1,081.19
Total financial assets			**20,634.54**	**16,439.49**	**20,634.54**	**16,439.49**
Financial liabilities						
Amortised Cost						
6% senior notes	(c)	1	15,068.43	14,493.79	15,168.35	15,405.01
Other borrowings	(a, d)	3	14,207.73	11,345.94	14,036.21	11,374.29
Lease liabilities	(a)		2,643.86	2,455.90	-	-
Trade payables	(a)		5,677.40	5,204.84	5,677.40	5,204.84
Other financial liabilities	(a, b)		2,355.89	2,206.50	2,355.89	2,206.50
Total financial liabilities			**39,953.31**	**35,706.97**	**37,237.85**	**34,190.64**

The following methods / assumptions were used to estimate the fair values:

(a) 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.

(b) Fair valuation of non-current financial assets and non-current financial liabilities has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

(c) Fair value of quoted financial instruments (including listed debentures and bonds) is based on quoted market price at the reporting date.

(d) The fair value of long-term borrowings is estimated by discounting future cash flows using adjusted discount rate of 2.93%-7.10% (31 March 2021: 2.79%-6.50%) (applicable to instruments with similar terms, currency, credit risk and remaining maturities) to discount the future payouts

(e) The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Reconciliation of Level 3 fair value measurement:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Opening balance	428.21	689.34
Additional investment	23.19	149.57
Proceeds from sale of investments	(441.11)	-
Gain recognised in statement of profit and loss	1.47	28.23
Gain/(loss) recognised in other comprehensive income	409.12	(16.25)
Foreign currency translation adjustment	14.05	(6.03)
Transferred pursuant to the Composite Scheme (refer note 31)	-	(416.65)
Closing balance	**434.93**	**428.21**

Note 34. Financial risk management

Risk management framework

The Parent Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group, through three layers of defense 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 with top management oversees the formulation and implementation of the risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Group has exposure to the following risks arising from financial instruments:

- *credit risk (see (i));*
- *liquidity risk (see (ii)); and*
- *market risk (see (iii)).*

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables and other financial assets

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

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, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

As at 31 March 2022 and 31 March 2021, there is no major customer in terms of credit risk for the Group.

Expected credit loss with respect to trade receivables:

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 Group estimates its allowance for trade receivable using lifetime expected credit loss. Also refer note 11.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Movement in the expected credit loss allowance of trade receivables are as follows:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Balance at the beginning of the year	219.81	227.04
Provided during the year (net of reversal)	36.65	53.39
Amount written off */ translation adjustment	2.33	(14.33)
Transferred pursuant to the Composite Scheme (refer note 31)	-	(46.29)
Balance at the end of the year	**258.79**	**219.81**

*Assets 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 Group.

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 provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed in Consolidated Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short-term liquidity situation is reviewed daily by the treasury department. Long-term liquidity position is reviewed on a regular basis by the Parent Company's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(₹ in million)

As at 31 March 2022		**Contractual Cash flows (2)**		
	Carrying Amount	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Borrowings (1)	29,276.16	29,382.38	4,633.74	24,748.64
Lease liabilities	2,643.86	2,643.86	521.93	2,121.93
Trade payables	5,677.40	5,677.40	5,677.40	-
Other financial liabilities	2,355.89	2,355.89	2,350.85	5.04

(₹ in million)

As at 31 March 2021		**Contractual Cash flows (2)**		
	Carrying Amount	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Borrowings (1)	25,839.73	25,996.29	200.01	25,796.28
Lease liabilities	2,455.90	2,455.90	501.34	1,954.56
Trade payables	5,204.84	5,204.84	5,204.84	-
Other financial liabilities	2,206.50	2,206.50	2,206.50	-

Note:

(1) Carrying amount presented as net of unamortised transaction cost.

(2) Contractual cash flows exclude interest payable.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Group companies. The functional currencies of the Group companies are primarily the INR, USD, CAD and EUR. The currencies in which these transactions are primarily denominated are EUR, USD, CAD and INR.

The Group follows a natural hedge driven currency risk mitigation policy, to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contracts and interest rate swaps.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

(₹ in million)

	As at 31 March 2022				As at 31 March 2021			
	USD	EUR	CAD	Others	USD	EUR	CAD	Others
Cash and cash equivalents	948.54	4.81	100.19	26.01	1,070.90	4.44	0.87	31.41
Trade receivables	2,389.33	220.01	117.98	306.21	2,968.12	130.95	10.45	95.20
Other financial assets	632.06	-	14.32	6.29	15,716.87	0.13	90.16	6.24
Trade payables	(1,778.02)	(102.18)	(520.06)	(201.34)	(2,099.53)	(187.14)	(91.86)	(127.05)
Borrowings	(26.33)	-	-	-	(24.13)	-	-	-
Other financial liabilities	(6.52)	(0.63)	-	(62.36)	(16.89)	(3.69)	(40.71)	(90.17)
Net statement of financial position exposure	**2,159.05**	**122.01**	**(287.57)**	**74.81**	**17,615.36**	**(55.33)**	**(31.09)**	**(84.37)**

Sensitivity analysis

A reasonably possible strengthening/weakening of the EUR, USD, CAD, INR or other currencies 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.

(₹ in million)

	Profit or loss (before tax)		OCI (before tax)	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2022				
USD (1% movement)	21.59	(21.59)	-	-
EUR (1% movement)	1.22	(1.22)	-	-
CAD (1% movement)	(2.88)	2.88	-	-
Other (1% movement)	0.75	(0.75)	-	-
31 March 2021				
USD (1% movement)	101.15	(101.15)	75.00	(75.00)
EUR (1% movement)	(0.55)	0.55	-	-
CAD (1% movement)	(0.31)	0.31	-	-
Other (1% movement)	(0.84)	0.84	-	-

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in INR and USD with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments, as reported to the management of the Group is as follows:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Fixed-rate borrowings	16,623.51	14,622.00
Floating rate borrowings*	12,758.87	11,374.29
	29,382.38	**25,996.29**

* floating interest rates are based on bank's Marginal Cost of funds based Lending Rate (MCLR) or external benchmarks (e.g. T-Bill, Mibor, RBI Repo Rate etc.) or LIBOR plus spread, reset at specified intervals.

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Group's profit before tax for the year ended 31 March 2022 would decrease / increase by ₹27.93 million (31 March 2021: ₹7.19 million). This is mainly attributable to the Group's exposure to interest rates on its floating rate borrowings.

Note 35. Capital management

(a) Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

'Net debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Consolidated Balance Sheet, including non-controlling interest).

The gearing ratios were as follows:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Net debt	19,433.79	19,126.56
Total equity	53,164.00	47,415.17
Net debt to equity ratio	**0.37**	**0.40**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

(b) Dividends

(₹ in million)

	31 March 2022	31 March 2021
Equity shares		
Final dividend for the year ended 31 March 2021 of ₹5 per fully paid equity share (31 March 2021 : Nil)	796.41	-

In addition to the above dividends, since year end the Board of Directors has recommended a dividend of ₹5 per equity share of ₹1 each, fully paid up amounting to ₹796.41 million for the year ended 31 March 2022, subject to approval in the ensuing Annual General Meeting.

Note 36. Segment information

Business Segments

The Chairman and Co-Chairman & Managing Director of the Parent Company have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Group has determined reportable segments by the nature of its products and services, which are as follows:

a. **Pharmaceuticals:** (i) Specialty Pharmaceuticals comprising Radiopharmaceuticals (including radiopharmacies) and Allergy Therapy products; (ii) Contract Development and Manufacturing Operations (CDMO) comprising Contract manufacturing of Sterile Injectables and Non-Sterile products (CMO) and Active Pharmaceutical Ingredients (APIs); and (iii) Generics comprising Solid Dosage Formulations; iv) India Branded Pharmaceuticals;

b. **Life Sciences Ingredients#:** i) Specialty Intermediates ii) Life Sciences Chemicals and iii) Nutritional Products;

c. **Contract Research and Development Services:** Drug discovery and development services as well as clinical data software and service solutions; and

d. **Proprietary Novel Drugs:** Patient-focused biopharmaceutical business working to address unmet medical needs in oncology and autoimmune diseases.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

No operating segments have been aggregated to form the above reportable operating segments.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs and fair value gains and losses on certain financial assets are not allocated to individual segments as the underlying instruments are managed on a Group basis.

Borrowings, current taxes, deferred taxes and certain financial assets and liabilities are not allocated to the segments and have been included under 'unallocated assets / liabilities'.

Information related to each reportable segment is set out below. Segment results (profit/(loss) before interest and tax) is used to measure performance because management believes that this information is most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

(₹ in million)

	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Total segment revenue	Inter-segment revenue	Revenue from external customer	Total segment revenue	Inter-segment revenue	Revenue from external customer
Revenue						
Pharmaceuticals*	56,507.04	-	56,507.04	57,898.14	1.43	57,896.71
Life Science Ingredients#	-	-	-	28,115.61	45.83	28,069.78
Contract Research and Development Services	4,946.89	373.19	4,573.70	3,290.95	238.96	3,051.99
Proprietary Novel Drugs	18.41	-	18.41	36.65	-	36.65
Total segment revenue	**61,472.34**	**373.19**	**61,099.15**	**89,341.35**	**286.22**	**89,055.13**
Unallocated corporate revenue			202.49			-
Total			**61,301.64**			**89,055.13**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Result		
Pharmaceuticals*	7,276.73	10,664.92
Life Science Ingredients#	-	4,134.28
Contract Research and Development Services	1,434.57	921.14
Proprietary Novel Drugs	(349.82)	(137.71)
Total segment result	**8,361.48**	**15,582.63**
Un-allocated corporate expenses (net of un-allocated income)	626.66	1,128.57
Interest income	24.51	138.93
Finance costs	1,454.86	2,472.89
Profit before tax	**6,304.47**	**12,120.10**
Tax expense	2,174.31	3,763.99
Profit for the year	**4,130.16**	**8,356.11**
- Continuing operations	4,130.16	5,738.58
- Discontinued operations	-	2,617.53

Other information: **(₹ in million)**

	Segment Assets		Segment Liabilities	
	As at		As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Pharmaceuticals*	89,476.48	81,115.92	10,150.05	9,162.30
Contract Research and Development Services	5,028.71	3,475.84	679.89	711.42
Proprietary Novel Drugs	1,919.58	927.07	113.96	97.87
Segment total	**96,424.77**	**85,518.83**	**10,943.90**	**9,971.59**
Un-allocated corporate assets/ liabilities	3,483.90	3,662.27	35,800.77	31,794.34
Total assets/ liabilities	**99,908.67**	**89,181.10**	**46,744.67**	**41,765.93**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Other information: (₹ in million)

	Capital expenditure		Depreciation/Amortisation/Impairment	
	For the year ended		For the year ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Pharmaceuticals*	4,581.57	4,412.57	3,493.85	3,310.63
Life Science Ingredients#	-	1,023.24	-	992.79
Contract Research and Development Services	1,158.73	985.58	256.17	164.26
Proprietary Novel Drugs	618.21	392.88	4.53	4.23
Segment total	**6,358.51**	**6,814.27**	**3,754.55**	**4,471.91**
Un-allocated	24.67	1.40	62.49	44.57
Total	**6,383.18**	**6,815.67**	**3,817.04**	**4,516.48**
- Continuing operations	6,383.18	5,791.03	3,817.04	3,489.47
- Discontinued operations	-	1,024.64	-	1,027.01

Pursuant to the Composite Scheme (refer note 31), the Group has demerged its Life Sciences Ingredients business w.e.f. 1 February 2021.

*Refer note 5(a).

Information about Geographical segments:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Revenue by geographical markets		
India	3,394.48	19,750.45
Americas and Europe	53,193.65	61,155.90
China	126.39	2,251.09
Rest of the world	4,587.12	5,897.76
Total	**61,301.64**	**89,055.20**
- Continuing operations	61,301.64	60,985.35
- Discontinued operations	-	28,069.85

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Non-current assets (by geographical location of assets)*		
Within India	15,507.37	14,964.92
Outside India	47,261.74	42,715.85
Total	**62,769.11**	**57,680.77**

*Non-current assets are excluding financial investments (other than investment in associate) and deferred tax assets.

For the year ended 31 March 2022 and 31 March 2021, there is no major customer with respect to consolidated revenue of the Group.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 37. Related Party Disclosures

1. Related parties with whom transactions have taken place:

a) Key management personnel (KMP) and related entities:

Mr. Shyam S. Bhartia, Mr. Hari S. Bhartia, Mr. S Sridhar, Ms. Sudha Pillai, Dr. Ashok Misra, Mr. Alok Vaish (w.e.f. 1 April 2020 to 11 September 2020), Mr. Arun Kumar Sharma (w.e.f. 1 April 2021), Mr. Arvind Chokhany (w.e.f. 1 April 2021), Mr. Rajesh Kumar Srivastava (up to 5 February 2021), Mr. Sushil Kumar Roongta, Mr. Vivek Mehra, Mr. Arun Seth, Mr. Anant Pande (up to 5 February 2021), Mr. Rajiv Shah.

Jubilant Enpro Private Limited, JOGPL Private Limited, Jubilant FoodWorks Limited, Jubilant Industries Limited, Jubilant Agri and Consumer Products Limited, Jubilant Consumer Private Limited, Jubilant Industries Inc., USA., Safe Foods Corporation, USA, Jubilant Life Sciences International Pte. Limited (w.e.f. 1 February 2021, refer note 31), Jubilant Life Sciences (Shanghai) Limited (w.e.f. 1 February 2021, refer note 31), Jubilant Life Sciences (USA) Inc. (w.e.f. 1 February 2021, refer note 31), Jubilant Infrastructure Limited (w.e.f. 1 February 2021, refer note 31), Jubilant Life Sciences NV (w.e.f. 1 February 2021, refer note 31), Jubilant Ingrevia Limited (formerly Jubilant LSI Limited) (w.e.f. 1 February 2021, refer note 31), Jubilant Sports Cars Private Limited

Also refer note 31

b) Others:

Vam Employees Provident Fund Trust (surrendered effective 31 December 2021), Jubilant Bhartia Foundation, Jubilant Pharmova Limited Officers Superannuation Fund (formerly VAM Officers Superannuation Fund), SSB Consultants & Management Services Private Limited.

2. Transactions with related parties

FY 2021-22 **(₹ in million)**

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
	Description of transactions				
1.	**Sales of goods and services:**				
	Jubilant Ingrevia Limited	129.12			129.12
	Jubilant FoodWorks Limited	89.36			89.36
	Jubilant Agri and Consumer Products Limited	20.62			20.62
		239.10	**-**	**-**	**239.10**
2.	**Rental and other income:**				
	Jubilant Ingrevia Limited	20.01			20.01
	Jubilant Enpro Private Limited	22.40			22.40
	JOGPL Private Limited	0.89			0.89
	Jubilant Agri and Consumer Products Limited	13.48			13.48
		56.78	**-**	**-**	**56.78**
3	**Purchase of goods and services:**				
	Jubilant Ingrevia Limited	7.47			7.47
		7.47	**-**	**-**	**7.47**
4	**Purchase of property, plant and equipment:**				
	Jubilant Ingrevia Limited	0.85			0.85
	Jubilant Sports Cars Private Limited	11.40			11.40
		12.25	**-**	**-**	**12.25**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

FY 2021-22 (₹ in million)

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
5	**Recovery of expenses:**				
	Jubilant Life Sciences NV	1.74			1.74
	Jubilant Life Sciences (USA) Inc.	22.01			22.01
	Jubilant Industries Inc., USA	2.13			2.13
	Jubilant FoodWorks Limited	0.06			0.06
	Jubilant Ingrevia Limited	11.60			11.60
	Jubilant Agri and Consumer Products Limited	5.98			5.98
		43.52	-	-	**43.52**
6	**Reimbursement of expenses:**				
	Jubilant Life Sciences NV	1.61			1.61
	Jubilant Life Sciences (USA) Inc.	0.46			0.46
	Jubilant FoodWorks Limited	2.86			2.86
	Jubilant Life Sciences (Shanghai) Ltd	27.11			27.11
	Jubilant Ingrevia Limited	310.24			310.24
		342.28	-	-	**342.28**
7	**Remuneration (including perquisites)*:**				
	Mr. Shyam S. Bhartia		192.86		192.86
	Mr. Hari S. Bhartia		121.67		121.67
	Mr. Arvind Chokhany		39.93		39.93
	Mr. Arun Kumar Sharma		23.91		23.91
	Mr. Rajiv Shah		12.18		12.18
		-	**390.55**	-	**390.55**
8	**Sitting fees and director fees:**				
	Dr. Ashok Misra		5.45		5.45
	Mr. S Sridhar		0.94		0.94
	Ms. Sudha Pillai		1.16		1.16
	Mr. Sushil Kumar Roongta		0.86		0.86
	Mr. Vivek Mehra		1.00		1.00
	Mr. Arun Seth		0.51		0.51
		-	**9.92**	-	**9.92**
9	**Commission:**				
	Dr. Ashok Misra		1.00		1.00
	Mr. S Sridhar		1.00		1.00
	Ms. Sudha Pillai		1.00		1.00
	Mr. Sushil Kumar Roongta		1.00		1.00
	Mr. Vivek Mehra		1.00		1.00
	Mr. Arun Seth		1.00		1.00
		-	**6.00**	-	**6.00**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

FY 2021-22 (₹ in million)

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
10	**Company's contribution to provident fund trust:**				
	Vam Employee Provident Fund Trust			58.96	58.96
		-	-	**58.96**	**58.96**
11	**Lease payments:**				
	Jubilant Ingrevia Limited	28.22			28.22
		28.22	-	-	**28.22**
12	**Donation:**				
	Jubilant Bhartia Foundation			93.20	93.20
		-	-	**93.20**	**93.20**
13	**Amounts outstanding**				
	Directorship fess payable:				
	Dr. Ashok Misra		3.79		3.79
		-	**3.79**	-	**3.79**
14	**Bonus payable:**				
	Mr. Shyam S. Bhartia		61.57		61.57
		-	**61.57**	-	**61.57**
15	**Commission payable #:**				
	Mr. Hari S. Bhartia		10.20		10.20
	Dr. Ashok Misra		1.00		1.00
	Mr. S Sridhar		1.00		1.00
	Ms. Sudha Pillai		1.00		1.00
	Mr. Sushil Kumar Roongta		1.00		1.00
	Mr. Vivek Mehra		1.00		1.00
	Mr. Arun Seth		1.00		1.00
		-	**16.20**	-	**16.20**
16	**Trade payables:**				
	Jubilant Life Sciences NV	0.24			0.24
	Jubilant Life Sciences (USA) Inc.	0.63			0.63
	Jubilant Life Sciences (Shanghai) Ltd	27.12			27.12
	Jubilant Ingrevia Limited	54.32			54.32
		82.31	-	-	**82.31**
17	**Trade receivables:**				
	Jubilant Life Sciences NV	0.64			0.64
	Jubilant Agri and Consumer Products Limited	18.14			18.14
	Jubilant FoodWorks Limited	9.11			9.11
	Jubilant Enpro Private Limited	12.06			12.06
	Jubilant Ingrevia Limited	57.30			57.30
		97.25	-	-	**97.25**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

FY 2021-22 **(₹ in million)**

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
18	**Deposits recoverable:**				
	Jubilant Enpro Private Limited	0.42			0.42
		0.42	-	-	**0.42**
19	**Other receivables:**				
	Jubilant Ingrevia Limited	6.09			6.09
	Jubilant Life Sciences (USA) Inc.	27.00			27.00
	Jubilant Industries Inc., USA	7.95			7.95
	Jubilant Agri and Consumer Products Limited	5.47			5.47
		46.50	-	-	**46.50**

FY 2020-21 **(₹ in million)**

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
	Description of transactions				
1	**Sales of goods and services:**				
	Safe Foods Corporation, USA	85.68			85.68
	Jubilant Ingrevia Limited	0.07			0.07
	Jubilant Industries Limited	5.31			5.31
	Jubilant FoodWorks Limited	11.19			11.19
	Jubilant Agri and Consumer Products Limited	113.83			113.83
		216.08	-	-	**216.08**
2	**Rental and other income:**				
	Jubilant Industries Inc., USA	0.74			0.74
	Jubilant Ingrevia Limited	13.26			13.26
	Jubilant Enpro Private Limited	20.55			20.55
	JOGPL Private Limited	1.13			1.13
	Jubilant FoodWorks Limited	18.49			18.49
	Jubilant Industries Limited	0.15			0.15
	Jubilant Agri and Consumer Products Limited	39.57			39.57
	Jubilant Consumer Private Limited	1.92			1.92
		95.81	-	-	**95.81**
3	**Purchase of goods and services:**				
	Jubilant Ingrevia Limited	3.00			3.00
	Jubilant Industries Limited	20.85			20.85
	Jubilant Agri and Consumer Products Limited	98.30			98.30
		122.15	-	-	**122.15**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 (₹ in million)

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
4	**Recovery of expenses:**				
	Jubilant Life Sciences NV	0.63			0.63
	Jubilant Life Sciences (USA) Inc.	4.08			4.08
	Jubilant Industries Inc., USA	1.68			1.68
	SSB Consultants & Management Services Private Limited	0.89			0.89
	Jubilant Ingrevia Limited	1.01			1.01
	Jubilant Agri and Consumer Products Limited	21.08			21.08
		29.37	-	-	**29.37**
5	**Reimbursement of expenses:**				
	Jubilant Life Sciences NV	0.16			0.16
	Jubilant Ingrevia Limited	45.03			45.03
	Jubilant Enpro Private Limited	0.96			0.96
		46.15	-	-	**46.15**
6	**Remuneration (including perquisites)*:**				
	Mr. Shyam S. Bhartia		189.33		189.33
	Mr. Hari S. Bhartia		121.80		121.80
	Mr. Alok Vaish		15.93		15.93
	Mr. Anant Pande		22.37		22.37
	Mr. Rajesh Kumar Srivastava		40.76		40.76
	Mr. Rajiv Shah		10.93		10.93
		-	**401.12**	-	**401.12**
7	**Sitting fees:**				
	Dr. Ashok Misra		0.40		0.40
	Mr. S Sridhar		0.47		0.47
	Ms. Sudha Pillai		0.50		0.50
	Mr. Sushil Kumar Roongta		0.44		0.44
	Mr. Vivek Mehra		0.45		0.45
	Mr. Arun Seth		0.32		0.32
		-	**2.58**	-	**2.58**
8	**Commission:**				
	Dr. Ashok Misra		1.00		1.00
	Mr. S Sridhar		1.00		1.00
	Ms. Sudha Pillai		1.00		1.00
	Mr. Sushil Kumar Roongta		1.00		1.00
	Mr. Vivek Mehra		1.00		1.00
	Mr. Arun Seth		1.00		1.00
		-	**6.00**	-	**6.00**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 **(₹ in million)**

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
9	**Company's contribution to provident fund trust:**				
	Vam Employee Provident Fund Trust			148.41	148.41
		-	**-**	**148.41**	**148.41**
10	**Company's contribution to superannuation fund:**				
	Jubilant Pharmova Limited Officers Superannuation Fund (formerly VAM Officers Superannuation Fund)			2.91	2.91
		-	**-**	**2.91**	**2.91**
11	**Lease payments:**				
	Jubilant Agri and Consumer Products Limited	0.13			0.13
	Jubilant Ingrevia Limited	4.69			4.69
		4.82	**-**	**-**	**4.82**
12	**Donation:**				
	Jubilant Bhartia Foundation			51.56	51.56
		-	**-**	**51.56**	**51.56**
13	**Amounts outstanding**				
	Commission payable #:				
	Mr. Hari S. Bhartia		33.00		33.00
	Dr. Ashok Misra		1.00		1.00
	Mr. S Sridhar		1.00		1.00
	Ms. Sudha Pillai		1.00		1.00
	Mr. Sushil Kumar Roongta		1.00		1.00
	Mr. Vivek Mehra		1.00		1.00
	Mr. Arun Seth		1.00		1.00
			39.00		**39.00**
14	**Trade payables:**				
	Jubilant Life Sciences NV	0.34			0.34
	Jubilant Life Sciences (USA) Inc.	0.43			0.43
	Jubilant Ingrevia Limited	171.75			171.75
		172.52			**172.52**
15	**Other payables:**				
	JOGPL Private Limited	1.44			1.44
	Vam Employees Provident Fund Trust			18.56	18.56
		1.44		**18.56**	**20.00**
16	**Trade receivables:**				
	Jubilant Life Sciences NV	2.82			2.82
	Jubilant Ingrevia Limited	17.74			17.74
		20.56			**20.56**
17	**Deposits recoverable:**				
	Jubilant Enpro Private Limited	1.58			1.58
		1.58			**1.58**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

FY 2020-21 **(₹ in million)**

Sr. No.	Particulars	Enterprise in which certain key management personnel are interested	Key management personnel	Others	Total
18	**Other receivables:**				
	Jubilant Ingrevia Limited	0.01			0.01
	Jubilant Life Sciences (USA) Inc.	17.46			17.46
	Jubilant Industries Inc. USA	5.58			5.58
	Jubilant Agri and Consumer Products Limited	5.34			5.34
	Jubilant FoodWorks Limited	9.63			9.63
	Jubilant Enpro Private Limited	2.49			2.49
		40.51			**40.51**
19	Refer note 31 for transactions pursuant to the Composite Scheme.				

* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

Breakup of remuneration to key management personnel were as follows:

(₹ in million)

	For the year ended	
	31 March 2022	**31 March 2021**
Short term employment benefits	384.04	394.22
Post employment benefits	6.51	6.90
	390.55	**401.12**

Commission payable is subject to the approval of shareholders in the annual general meeting.

The Group is in the process of updating the documentation for the specified transactions entered into with the specified persons and associated enterprises during the financial year. The management is of the opinion that its specified transactions are at arm's length and will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 38. Contingent liabilities to the extent not provided for:

A. Claims against Group, disputed by the Group, not acknowledged as debt#:

(₹ in million)

	As at	
	31 March 2022	**31 March 2021**
Central Excise	7.83	7.87
Customs	4.90	26.99
Sales Tax	3.15	0.21
Income Tax	3,774.30	3,774.30
Service Tax and GST	65.99	71.56
Others	171.50	160.17

Excluding claims in respect of business transferred to Jubilant Ingrevia Limited pursuant to the Composite Scheme though the claims may be continuing in the name of the Company (refer note 31).

Future cash outflows in respect of the above matters as well as for matters listed under 37(B) below are determinable only on receipt of judgments/decisions pending at various stages/forums.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

B. Other contingent liabilities

(i) A customer had filed an arbitration claim in 2013 before the International Court of Arbitration, International Chamber of Commerce, Paris ("ICC") against Jubilant Pharmaceuticals NV ("JPNV"), a subsidiary of the Group in Belgium alleging contravention of certain provisions of Licensing and Supply agreement between the parties and claiming damages (excluding interest) amounting to Euro 2.08 million equivalent to ₹175.47 million (31 March 2021: ₹178.65 million). JPNV has also filed a counter claim against this customer for damages amounting Euro 2.38 million equivalent to ₹200.42 million (31 March 2021: ₹204.06 million) in the same dispute. Partial Award No. 2 dated 5 September 2017 was passed by the Arbitrator wherein claims of the customer were allowed for Euro 0.67 million equivalents to ₹56.32 million (31 March 2021: ₹57.34 million) but the customer was restrained from using, either directly or indirectly, the Dossiers and also directed to return the Dossiers to JPNV. Partial Award No. 3 dated 14 February 2018 was passed by the Arbitrator holding the customer liable to pay daily penalties of Euro 5,000 equivalents to ₹0.42 million (31 March 2021: 0.43 million) for any use, either directly or indirectly, of the Dossiers and €1,000 equivalents to ₹0.08 million (31 March 2021: ₹0.09 million) for non-return of Dossiers to JPNV before 16 March 2018. On 5 March 2018, the customer challenged the Partial Awards No. 2 and 3 before Court of Brussels, which has vide interim order dated 24 August 2018 rejected the customer's request for suspension of the Partial Award. Final Award was passed on 20 September 2019 by the Arbitrator where under JPNV was directed to pay Euro 0.67 million equivalents to ₹56.32 million (31 March 2021: ₹57.34 million) along with interest (as held in Partial Award No. 2). JPNV has challenged the Final Award, and has also filed for the enforcement of the Partial Award No. 3 which was challenged in 2020 by the Customer before the Antwerp Court of Attachments, which Court vide order 21 October 2021 held that it has no territorial jurisdiction and refused Customer's request for annulment of Partial Award No. 3, against which Customer has filed an appeal on 17 February 2022 before the Antwerp Court of Appeal. The Customer has also challenged the decision of the arbitrator dated 20 September 2019 for not reopening the proceedings and refusing to abolish the daily penalties "astreintes". Meanwhile, JPNV initiated service of summons on the Customer w.r.t. the daily penalties by Court Bailiff on 7 January 2022, which service of summons has been challenged by Customer in Antwerp Court. These proceedings are pending.

(ii) In July 2021, the U.S. Food and Drug Administration ("USFDA") placed the Roorkee facility under import alert, which restricts supplies to the USA from the Roorkee facility. However, the USFDA exempted certain products from the import alert subject to certain conditions. The Group continues to engage with the USFDA and take all necessary steps, including comprehensive assessment and engaging independent consultants, to ensure further controls to resolve the import alert at the earliest and ensure Current Good Manufacturing Practices (cGMP) compliance for the Roorkee facility. No other regulatory agency so far suggested or recommended similar action for any other market and/or product. Manufacturing and supply of pharmaceutical products is continuing from Roorkee facility to all markets and for non-restricted products to the USA.

(iii) Additionally, the Group is involved in other disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Group believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its consolidated financial statements.

The above does not include all other obligations resulting from claims, legal pronouncements having financial impact in respect of which the Group generally performs the assessment based on the external legal opinion and the amount of which cannot be reliably estimated.

The Group believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its consolidated financial statements.

Note 39. Commitments as at year end

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) is ₹3,405.96 million and ₹992.84 million (31 March 2021: ₹2,867.07 million and ₹1,074.74 million) for property, plant and equipment and intangible assets, respectively.

b) Other Commitments:

Export obligation undertaken by the Group under EPCG scheme to be completed over a period of five/eight years on account of import of Capital Goods at concessional import duty and remaining outstanding is ₹385.54 million (31 March 2021 ₹78.47 million). Similarly, export obligation under Advance License Scheme on duty free import of specific raw materials, remaining outstanding is ₹120.02 million (31 March 2021: ₹311.86 million).

Also refer note 31.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 40. Leases

The details of the right-of-use assets held by the Group is as follows:

(₹ in million)

	Depreciation charge for the year ended*		Net carrying amount as at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Land	5.29	13.15	427.27	432.56
Buildings	507.33	474.41	2,261.08	2,193.35
Plant and equipment	2.80	6.61	-	2.77
Office equipment	15.36	8.15	46.54	50.38
Vehicles	138.36	173.97	245.28	215.83
Total	**669.14**	**676.29**	**2,980.17**	**2,894.89**

*represents amount in respect of continuing and discontinued operations.

Additions to the right-of-use assets during the year ended 31 March 2022 were ₹683.20 million (31 March 2021 were ₹1,395.95 million).

Amount recognised in Statement of Profit and Loss#:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Interest on lease liabilities	105.93	101.81
Rental expense relating to short-term leases	44.95	61.15
	150.88	**162.96**

Amount recognised in Statement of Cash Flows:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Total cash outflow for leases	748.77	721.72
	748.77	**721.72**

Note 41. Expenditure incurred under section 135 of the Companies Act, 2013 on Corporate Social responsibility (CSR) activities is included under donation.

Note 42. (a) Government grant recoverable ₹22.38 million (31 March 2021: ₹330.43 million) and Government grant recognised ₹220.70 million (31 March 2021: ₹1,059.78 million) in Consolidated Statement of Profit and Loss.

Note 42. (b) During the year, finance costs amounting to ₹16.66 million and ₹14.43 million (31 March 2021: ₹30.39 million and ₹71.25 million) has been capitalized in property, plant and equipment and intangible assets, respectively, calculated using capitalisation rate of 1.86% to 6.73% (31 March 2021: 5.82% to 6.80%).

Note 43. The carrying value of internally generated product registration/market authorisation and other intangibles (including intangible assets under development) has been reviewed and based on prevailing market conditions, technical and financial assessment, ₹153.83 million (31 March 2021: ₹255.81 million) have been charged off in Pharmaceuticals segment and included under depreciation, amortisation and impairment expense in the Consolidated Statement of Profit and Loss. The estimate of value in use was determined using a discount rate of 8% to 12% (31 March 2021: 7% to 15%).

Note 44. Jubilant DraxImage Inc., Canada ("JDI"), a subsidiary company, changed its functional currency from CAD to USD w.e.f. 1 June 2021. The change was made to reflect that USD has become the predominant currency in JDI, counting for a significant part of JDI's cash flow, cash flow management and investing, along with purchase of radiopharmacies business from Jubilant Draximage Radiopharmacies Inc, USA ("JDRI"), a fellow subsidiary company of JDI. The change has been implemented prospectively from the date of change.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 45. Exceptional items for the year ended 31 March 2021 include the following:

a) Premium of ₹178.80 million on early redemption of US$ 200 million Senior Notes.

b) Debt initiation costs of ₹33.51 million on early redemption of US$ 200 million Senior Notes.

Note 46. Transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956:

(₹ in million)

Name of struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company, if any
Rachana Rubbers Private Limited	Advance for supply of goods and services	0.60	-

Note 47. Share based payments

(a) Employee Stock Option Scheme

The Company has a stock option plan in place namely "JLL Employees Stock Option Plan 2018" ("Plan 2018").

The Nomination, Remuneration and Compensation Committee ('Committee') of the Board of Directors which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plan.

Under Plan 2018, up to 1,500,000 Stock Options can be issued to eligible directors (other than promoter directors and independent directors) and other specified categories of employees of the Company / subsidiaries. Exercise price shall not be higher than the market price (i.e. latest available closing price on a recognized 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. As per the SEBI guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest.

Under Plan 2018, each option, upon vesting, shall entitle the holder to acquire one equity share of ₹1 each. 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. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter

Vesting schedule:

Sr. No	Exercise price ₹714.85 per option		Exercise price ₹1.00 per option	
	% of options scheduled to vest	Vesting date	% of options scheduled to vest	Vesting date
1	20	1 year from grant date	100	3 years from grant date
2	30	2 years from grant date	-	-
3	50	3 years from grant date	-	-

In 2008-09, Jubilant Employees Welfare Trust ('Trust') was constituted for the purpose of acquisition of equity shares of the Company from the secondary market or subscription of shares from the Company, to hold the shares and to allocate/transfer these shares to eligible employees of the Company/subsidiaries from time to time on the terms and conditions specified under Plan 2018.

During the year ended 31 March 2021, Jubilant Employees Welfare Trust (the "Trust") purchased 107,140 equity shares of the Company from the open market, out of which Nil equity shares were transferred to the employees on exercise of Options.

The movement in the number of equity shares held by trust:

	As at	
	31 March 2022	31 March 2021
At the commencement of the year	107,140	-
Purchased during the year	-	107,140
At the end of the year	**107,140**	**107,140**

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

The movement in the stock options under "Plan 2018" during the year is set out below:

	For the year ended			
	31 March 2022		31 March 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	35,734	355.61	-	-
Forfeited/lapsed during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	35,734	355.61	-	-
Exercisable at the end of the year	-	-	-	-

Fair value of options granted:

The weighted average fair value of options granted during the period for Plan 2018 was ₹518.43 per option. The fair value at grant date is determined using the Black-Scholes-Merton 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:

	Plan 2018
Expected volatility	43.72% - 45.88%
Risk free interest rate	5.36% - 6.21%
Exercise price (₹)	1.00 - 714.85
Expected dividend yield	0.52%
Life of options (years)	3.50 - 5.50

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	31 March 2022			31 March 2021		
	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)
Plan 2018	17,751	4.46	714.85	-	-	-
Plan 2018	17,983	2.81	1.00	-	-	-

(b) Equity incentive plan

Jubilant Therapeutics Inc., a subsidiary company, has equity incentive plan namely:

- Jubilant Therapeutics Inc. 2020 Equity Incentive Plan ("Plan 2020")

The Stock Incentive Committee ('Committee') of the Board of Directors is responsible for administration and supervision of the grant of awards under Plan 2020.

Awards granted under the plan include: (a) restricted stocks and (b) non-qualified stock options

Under Plan 2020, up to 10,000 shares of Common stock of Jubilant Therapeutics Inc., can be granted as awards to employees, consultants and directors of Jubilant Therapeutics Inc., including its Group companies. Awards are to be granted at fair value on the date of the issuance of the grant.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Under Plan 2020, each award, shall entitle the holder to acquire common stock of USD 0.005. Awards granted will vest over a period of 3-4 years from the grant date. Vesting of awards is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

The movement in restricted stock awards under Plan 2020 during the year, is set out below:

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	No of awards	Exercise price	No of awards	Exercise price
Unvested at the beginning of the year	5,816	-	-	-
Granted during the year	917	-	6,634	-
Issued during the year	917	-	6,634	-
Vested during the year	1,648	-	818	-
Unvested at the end of the year	5,085	-	5,816	-

The movement in non-qualified stock options under Plan 2020 during the year, is set out below:

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	No of awards	Exercise price	No of awards	Exercise price
Outstanding at the beginning of the year	1,578	-	-	-
Granted during the year	-	-	1,578	-
Exercised during the year	-	-	-	-
Cancelled during the year	438	-	-	-
Outstanding at the end of the year	1,140	-	1,578	-
Exercisable at the end of the year	598	-	264	-

Fair value of awards granted

The weighted average fair value of awards granted for Plan 2020 is USD 72.04 per award. The fair value at grant date is determined using the market approach. Under this approach, funding transactions of the biotech companies in the oncology sector in a similar phase of research is considered and "post-money valuation" to "equity funding raised to date" multiple is applied.

Note 48. (a) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group; or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) There are no funds which have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall:

(i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or

(ii) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 49. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

	Name of the Enterprise	Net Assets (Total assets -Total liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit/ (loss)	Amount (₹ in million)	As % of Consolidated other comprehensive income	Amount (₹ in million)	As % of Consolidated total comprehensive income	Amount (₹ in million)
Parent									
Jubilant Pharmova Limited		24.11%	12,818.18	19.01%	785.03	0.01%	0.15	11.95%	785.18
Subsidiaries									
Indian									
1	Jubilant Clinsys Limited	0.07%	38.71	(0.03%)	(1.34)	-	-	(0.02%)	(1.34)
2	Jubilant Biosys Limited	7.75%	4,118.00	24.57%	1,014.84	(0.10%)	(2.33)	15.41%	1,012.51
3	Jubilant First Trust Healthcare Limited	0.07%	36.25	(0.01%)	(0.22)	-	-	(0.00%)	(0.22)
4	Jubilant Generics Limited	47.73%	25,376.34	3.01%	124.30	0.36%	8.87	2.03%	133.17
5	Jubilant Draximage Limited	(0.01%)	(7.81)	(0.02%)	(0.83)	-	-	(0.01%)	(0.83)
6	Jubilant Employee Welfare Trust	2.07%	1,102.40	1.05%	43.53	-	-	0.66%	43.53
7	Jubilant Therapeutics India Limited	1.82%	969.02	0.42%	17.23	12.22%	298.15	4.80%	315.38
8	Jubilant Business Services Limited	0.07%	35.09	0.27%	11.20	0.06%	1.36	0.19%	12.56
Foreign									
1	Jubilant Pharma NV	2.84%	1,508.75	(0.02%)	(0.68)	(1.12%)	(27.41)	(0.43%)	(28.09)
2	Jubilant Pharmaceuticals NV	(0.08%)	(41.92)	(0.15%)	(6.25)	0.03%	0.78	(0.08%)	(5.47)
3	PSI Supply NV	0.17%	88.33	0.13%	5.21	(0.05%)	(1.34)	0.06%	3.87
4	Jubilant Pharma Holdings Inc.	64.00%	34,027.14	38.29%	1,581.43	48.10%	1,173.41	41.93%	2,754.84
5	Jubilant Clinsys Inc.	(0.16%)	(84.81)	(0.08%)	(3.51)	(0.20%)	(4.93)	(0.13%)	(8.44)
6	Jubilant HollisterStier LLC	22.80%	12,120.61	114.25%	4,718.85	17.32%	422.50	78.26%	5,141.35
7	Jubilant Pharma Limited	14.30%	7,600.73	(33.94%)	(1,401.83)	13.18%	321.58	(16.44%)	(1,080.25)
8	Jubilant Cadista Pharmaceuticals Inc.	13.15%	6,989.39	(32.42%)	(1,339.00)	10.95%	267.08	(16.32%)	(1,071.92)
9	Jubilant Discovery Services LLC	0.12%	64.18	0.15%	6.30	(0.06%)	(1.38)	0.07%	4.92
10	Jubilant Drug Development Pte. Limited	0.41%	216.35	0.37%	15.48	0.32%	7.72	0.35%	23.20
11	Jubilant Life Sciences (BVI) Limited	-	-	0.00%	0.01	-	-	0.00%	0.01

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

	Name of the Enterprise	Net Assets (Total assets -Total liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit/ (loss)	Amount (₹ in million)	As % of Consolidated other comprehensive income	Amount (₹ in million)	As % of Consolidated total comprehensive income	Amount (₹ in million)
12	Jubilant Innovation Pte. Limited	-	-	-	-	-	-	-	-
13	Draximage Limited, Ireland	-	-	-	-	-	-	-	-
14	Jubilant Draximage (USA) Inc.	0.27%	146.06	1.08%	44.43	0.18%	4.48	0.74%	48.91
15	Jubilant DraxImage Inc.	64.93%	34,517.58	20.35%	840.62	103.63%	2,528.13	51.28%	3,368.75
16	6981364 Canada Inc.	0.00%	-	0.00%	0.01	-	-	-	0.01
17	Draximage (UK) Limited	0.00%	-	-	-	-	-	-	-
18	Jubilant Innovation (USA) Inc.	1.03%	547.30	(0.08%)	(3.12)	1.60%	38.99	0.55%	35.87
19	Draxis Pharma LLC	0.04%	18.75	0.00%	0.05	0.03%	0.66	0.01%	0.71
20	Jubilant HollisterStier Inc.	15.14%	8,048.13	11.77%	486.24	14.60%	356.25	12.82%	842.49
21	TrialStat Solutions Inc.	0.07%	36.28	0.46%	19.12	0.04%	1.02	0.31%	20.14
22	Drug Discovery and Development Solutions Limited	3.05%	1,619.08	0.07%	2.77	0.86%	20.86	0.36%	23.63
23	Jubilant Pharma Australia Pty Limited	0.00%	(1.31)	0.01%	0.43	0.01%	0.20	0.01%	0.63
24	Jubilant Draximage Radiopharmacies Inc.	0.69%	364.59	(51.84%)	(2,140.94)	2.11%	51.48	(31.80%)	(2,089.46)
25	Jubilant Pharma SA (Pty) Limited	0.01%	4.22	0.05%	2.09	(0.00%)	(0.07)	0.03%	2.02
26	Jubilant Therapeutics Inc.	(1.65%)	(875.02)	(10.17%)	(420.22)	(0.38%)	(9.31)	(6.54%)	(429.53)
27	Jubilant Episcribe LLC	0.58%	308.38	(0.00%)	(0.18)	0.25%	6.21	0.09%	6.03
28	Jubilant Epicore LLC	1.23%	651.55	(0.01%)	(0.25)	0.59%	14.47	0.22%	14.22
29	Jubilant Prodel LLC	0.79%	419.47	(0.00%)	(0.17)	0.47%	11.36	0.17%	11.19
30	Jubilant Epipad LLC	0.75%	399.14	(0.00%)	(0.16)	0.44%	10.80	0.16%	10.64
31	Jubilant Pharma UK Limited	0.00%	1.67	0.03%	1.04	0.01%	0.14	0.02%	1.18
32	Jubilant Biosys Innovative Research Services Pte Limited	0.78%	413.26	(0.02%)	(0.62)	(8.62%)	(210.37)	(3.21%)	(210.99)
33	Jubilant Pharma ME FZ-LLC	0.02%	9.33	(0.05%)	(1.86)	(0.01%)	(0.27)	(0.03%)	(2.13)
Partnership controlled through subsidiaries		**7.85%**	**4,172.41**	**11.71%**	**483.83**	**7.00%**	**170.75**	**9.96%**	**654.59**
Associate		**3.67%**	**1,951.07**	**(2.42%)**	**(99.83)**	**-**	**-**	**(1.52%)**	**(99.83)**
Total eliminations *		**(200.48%)**	**(106,562.87)**	**(15.79%)**	**(652.87)**	**(123.83%)**	**(3,020.39)**	**(55.91%)**	**(3,673.27)**
Total		**100.00%**	**53,164.00**	**100.00%**	**4,130.16**	**100.00%**	**2,439.60**	**100.00%**	**6,569.76**

* Non-controlling interest included in respective subsidiaries - Net liabilities: ₹21.63 million, share in loss ₹9.20 million, share in other comprehensive loss ₹0.21 million and share in total comprehensive loss ₹9.41 million. Also refer note 2(b) and note 31.

Notes to the consolidated financial statements for the year ended 31 March 2022 (Continued)

Note 50. Earnings per share

		For the year ended	
		31 March 2022	31 March 2021
Profit from continuing operations for basic and diluted earnings per share of ₹1 each	₹ in million	4,139.36	5,741.16
Profit from discontinued operations for basic and diluted earnings per share of ₹1 each	₹ in million	-	2,617.53
Profit for basic and diluted earnings per share of ₹1 each	**₹ in million**	**4,139.36**	**8,358.69**
Weighted average number of equity shares used in computing earnings per share*			
For basic earnings per share	Nos.	**159,173,999**	**159,266,462**
For diluted earnings per share:			
No. of shares for basic earnings per share	Nos.	159,173,999	159,266,462
Add: Potential dilutive effects of stock options	Nos.	-	-
No. of shares for diluted earnings per share	Nos.	**159,173,999**	**159,266,462**
Earnings per equity share of ₹1 each for continuing operations			
Basic	₹	26.00	36.05
Diluted	₹	26.00	36.05
Earnings per equity share of ₹1 each for discontinued operations			
Basic	₹	-	16.43
Diluted	₹	-	16.43
Earnings per equity share of ₹1 each for continuing and discontinued operations			
Basic	₹	26.00	52.48
Diluted	₹	26.00	52.48

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share during the year. There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these consolidated financial statements.

Note 51. Figures for the current year ended 31 March 2022 are not comparable with previous year since the consolidated financial statements include figures of Life Science Ingredients business upto 31 January 2021 (refer note 31). Previous year figures have been regrouped/ reclassified to conform to the current year's classification.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037

Place: Delhi
Date: 27 May 2022

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN: 00010484

Hari S. Bhartia
Co-Chairman and Managing Director
DIN: 00010499

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Place: Noida
Date: 27 May 2022

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of financial statements of subsidiary/ associates/ joint ventures as per Companies Act, 2013

PART "A" : SUBSIDIARIES

(₹ in million)

Foreign Currencies in absolute terms

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired / incorporated	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (4)	Turnover / Total income	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed dividend	% of shareholding
1	Jubilant Clinsys Limited	September 21, 2004	INR	20.00	18.72	42.54	3.82	-	1.55	(1.34)	-	(1.34)	Nil	100.00%
2	Jubilant Biosys Limited (6)	February 3, 2004	INR	2,521.41	1,596.59	5,899.22	1,781.22	-	4,870.98	1,365.89	351.05	1,014.84	Nil	100.00%
3	Jubilant First Trust Healthcare Limited	May 23, 2007	INR	20.50	15.75	36.92	0.67	-	-	(0.22)	-	(0.22)	Nil	100.00%
4	Jubilant Generics Limited	November 25, 2013	INR	25.80	25,350.54	30,635.17	5,258.83	-	12,896.32	180.93	56.63	124.30	Nil	100.00%
5	Jubilant Pharma NV	May 27, 2004	EUR	16,180,000	1,734,472	17,961,400	46,929	-	-	(7,920)	-	(7,920)	Nil	100.00%
			INR	894.14	614.61	1,512.71	3.96	-	-	(0.68)	-	(0.68)	Nil	
6	Jubilant Pharmaceuticals NV	May 28, 2004	EUR	1,050,300	(1,548,061)	743,402	1,241,164	-	7,587	(72,630)	-	(72,630)	Nil	100.00%
			INR	63.95	(105.87)	62.61	104.53	-	0.66	(6.25)	-	(6.25)	Nil	
7	PSI Supply NV	May 28, 2004	EUR	665,000	383,869	4,474,694	3,425,824	-	2,655,420	92,096	28,226	63,870	Nil	100.00%
			INR	43.37	44.96	376.86	288.53	-	229.18	7.54	2.33	5.21	Nil	
8	Jubilant Pharma Holdings Inc.	September 12, 2005	USD	254,089,087	194,862,151	563,067,371	114,116,133	-	44,490,632	21,191,573	(28,926)	21,220,499	Nil	100.00%
			INR	12,178.29	21,848.85	42,676.28	8,649.15	-	3,316.73	1,579.25	(2.18)	1,581.43	Nil	
9	Jubilant Clinsys Inc.	October 4, 2005	USD	37,629,630	(38,748,541)	85,302	1,204,213	-	-	(37,157)	10,016	(47,173)	Nil	100.00%
			INR	1,986.28	(2,071.09)	6.47	91.28	-	-	(2.76)	0.75	(3.51)	Nil	
10	Jubilant HollisterStier LLC	May 31, 2007	USD	21,521,278	138,397,057	228,603,434	68,685,099	-	218,954,986	82,131,540	18,302,202	63,829,338	Nil	100.00%
			INR	876.78	11,243.83	17,326.42	5,205.81	-	16,286.86	6,095.04	1,376.19	4,718.85	Nil	
11	Jubilant Pharma Limited	May 19, 2005	USD	326,758,994	(226,475,550)	603,232,457	502,949,012	25,550,644	4,709,383	(18,706,865)	118,108	(18,824,973)	Nil	100.00%
			INR	15,232.66	(7,631.93)	45,720.50	38,119.77	1,936.55	350.39	(1,393.04)	8.79	(1,401.83)	Nil	
12	Jubilant Cadista Pharmaceuticals Inc.	July 1, 2005	USD	1	92,217,495	138,407,403	46,189,907	-	86,991,986	(23,195,858)	(5,150,558)	(18,045,300)	Nil	100.00%
			INR	-	6,989.39	10,490.24	3,500.85	-	6,462.09	(1,726.28)	(387.28)	(1,339.00)	Nil	
13	Jubilant Discovery Services LLC	June 17, 2008	USD	3,485,000	(2,638,224)	1,316,374	469,598	-	1,565,028	85,313	-	85,313	Nil	100.00%
			INR	184.60	(120.42)	99.77	35.59	-	116.51	6.30	-	6.30	Nil	
14	Jubilant Drug Development Pte. Limited	August 19, 2008	USD	2,547,001	307,481	2,862,526	8,044	-	228,206	213,021	4,564	208,457	Nil	100.00%
			INR	127.33	89.02	216.96	0.61	-	16.94	15.80	0.32	15.48	Nil	
15	Jubilant Life Sciences (BVI) Limited	August 19, 2008	USD	-	-	-	-	-	-	133	-	133	Nil	100.00%
			INR	-	-	-	-	-	-	0.01	-	0.01	Nil	
16	Jubilant Draximage (USA) Inc.	November 4, 2008	USD	9	1,927,115	2,853,422	926,298	-	5,634,430	760,583	162,411	598,171.72	Nil	100.00%
			INR	-	146.06	216.27	70.21	-	419.56	56.64	12.21	44.43	Nil	

FORM AOC-1 (Continued)

(₹ in million)

Foreign Currencies in absolute terms

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired / incorporated	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (4)	Turnover / Total income	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed dividend	% of shareholding
17	Jubilant DraxImage Inc.	May 28, 2008	USD	2,073,438	453,348,681	536,470,639	81,048,520	165,272	264,718,528	19,616,717	8,449,356	11,167,361.00	Nil	100.00%
			INR	101.25	34,416.33	40,660.45	6,142.87	12.53	19,732.17	1,470.59	629.97	840.62	Nil	
18	6981364 Canada Inc.	May 28, 2008	CAD	-	-	-	-	-	-	111	-	111	Nil	100.00%
			INR	-	-	-	-	-	-	0.01	-	0.01	Nil	
19	Draximage (UK) Limited	December 10, 2002	GBP	1	-	1	-	-	-	-	-	-	Nil	100.00%
			INR	-	-	-	-	-	-	-	-	-	Nil	
20	Jubilant Innovation (USA) Inc.	July 14, 2009	USD	2,975,000	4,246,039	7,301,376	80,337	2,528,436	55,846	19,427	57,227	(37,800)	Nil	100.00%
			INR	160.04	387.26	553.39	6.09	191.64	3.63	1.03	4.15	(3.12)	Nil	
21	Jubilant DraxImage Limited	September 9, 2009	INR	0.78	(8.59)	1.91	9.72	-	0.01	(0.83)	-	(0.83)	Nil	100.00%
22	Draxis Pharma LLC	October 1, 2009	USD	250,100	(2,770)	248,830	1,500	-	-	653	-	653	Nil	100.00%
			INR	11.64	7.11	18.86	0.11	-	-	0.05	-	0.05	Nil	
23	Jubilant HollisterStier Inc.	October 1, 2009	USD	145,856,844	(39,932,984)	106,380,325	456,465	-	-	6,450,935	(14,567)	6,465,502	Nil	100.00%
			INR	6,623.71	1,424.42	8,082.73	34.60	-	-	485.14	(1.10)	486.24	Nil	
24	TrialStat Solutions Inc. (formerly Jubilant Drug Discovery and Development Services Inc.)	October 18, 2010	CAD	150,000	449,688	1,591,041	991,353	-	1,876,023	439,216	117,800	321,416	Nil	100.00%
			INR	7.36	28.92	96.25	59.97	-	111.40	26.11	6.99	19.12	Nil	
25	Drug Discovery and Development Solutions Limited	August 6, 2013	USD	4,650,001	16,711,939	43,800,680	22,438,740	-	1,075,773	41,913	4,363	37,550	Nil	100.00%
			INR	301.67	1,317.41	3,319.76	1,700.68	-	79.89	3.09	0.32	2.77	Nil	
26	Jubilant Pharma Australia Pty Limited	August 11, 2016	AUD	20,000	(44,955)	31,905	56,860	-	54,396	7,591	-	7,591	Nil	100.00%
			INR	1.00	(2.31)	1.68	2.99	-	2.98	0.43	-	0.43	Nil	
27	Jubilant Employee Welfare Trust	November 22, 2008	INR	0.01	1,102.39	1,103.38	0.98	-	52.79	52.74	9.22	43.53	Nil	100.00%
28	Jubilant Draximage Radiopharmacies Inc.	March 8, 2017	USD	114,505,000	(109,694,611)	5,085,442	275,053	-	30,243,889	(4,555,798)	24,013,182	(28,568,980)	Nil	100.00%
			INR	8,386.37	(8,021.78)	385.44	20.85	-	2,225.80	(335.33)	1,805.61	(2,140.94)	Nil	
29	Jubilant Pharma SA (Pty) Limited	February 14, 2019	ZAR	280,000	599,047	12,082,911	11,203,864	-	13,435,146	601,104	169,573	431,531	Nil	100.00%
			INR	1.37	2.85	58.06	53.84	-	65.86	2.90	0.81	2.09	Nil	
30	Jubilant Therapeutics India Limited	March 20, 2019	INR	866.45	102.57	992.59	23.57	-	63.61	23.10	5.87	17.23	Nil	100.00%
31	Jubilant Therapeutics Inc.	February 19, 2019	USD	564	(11,545,568)	27,945,554	39,490,558	-	1,043	(5,633,321)	1,100	(5,634,421)	Nil	100.00%
			INR	0.04	(875.06)	2,118.06	2,993.08	-	0.08	(420.14)	0.08	(420.22)	Nil	
32	Jubilant Business Services Limited	March 28, 2019	INR	0.50	34.59	60.83	25.74	-	153.96	16.98	5.78	11.20	Nil	100.00%
33	Jubilant Episcribe LLC	March 28, 2019	USD	4,106,440	(37,715)	4,890,898	822,173	-	-	(2,453)	-	(2,453)	Nil	100.00%
			INR	299.45	8.93	370.69	62.31	-	-	(0.18)	-	(0.18)	Nil	
34	Jubilant Epicore LLC	March 28, 2019	USD	9,033,575	(437,104)	9,253,236	656,765	-	-	(3,387)	-	(3,387)	Nil	100.00%
			INR	654.70	(3.15)	701.33	49.78	-	-	(0.25)	-	(0.25)	Nil	

FORM AOC-1 (Continued)

(₹ in million)

Foreign Currencies in absolute terms

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired / incorporated	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (4)	Turnover / Total income	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed dividend	% of shareholding
35	Jubilant Prodel LLC	March 28, 2019	USD	5,841,317	(306,983)	5,829,024	294,689	-	-	(2,221)	-	(2,221)	Nil	100.00%
			INR	417.08	2.39	441.80	22.33	-	-	(0.17)	-	(0.17)	Nil	
36	Jubilant Epipad LLC	March 28, 2019	USD	6,001,230	(735,020)	5,568,237	302,027	-	-	(2,118)	-	(2,118)	Nil	100.00%
			INR	433.59	(34.45)	422.03	22.89	-	-	(0.16)	-	(0.16)	Nil	
37	Jubilant Pharma UK Limited	April 17, 2019	GBP	5,000	11,801	53,325	36,524	-	-	12,432	2,111	10,321	Nil	100.00%
			INR	0.46	1.21	5.30	3.63	-	-	1.25	0.21	1.04	Nil	
38	Jubilant Biosys Innovative Research Services Pte. Limited	July 22, 2020	USD	5,316,001	136,568	5,459,926	7,357	2,141,584	-	(8,350)	-	(8,350)	Nil	100.00%
			INR	383.65	29.61	413.82	0.56	162.32	-	(0.62)	-	(0.62)	Nil	
39	Jubilant Pharma ME FZ-LLC	October 31, 2021	AED	550,000	(90,906)	889,881	430,787	-	-	(90,906)	-	(90,906)	Nil	100.00%
			INR	11.45	(2.12)	18.08	8.75	-	-	(1.86)	-	(1.86)	Nil	

Notes:

1) Reporting period of all the Subsidiary Companies is 1 April 2021 to 31 March 2022.

2) Converted into Indian Rupees at the exchange rate as on 31 March 2022 : 1EUR = INR 84.22, 1USD = INR 75.79, 1GBP = INR 99.46, 1CAD = INR 60.49, 1AUD = INR 52.62, 1ZAR = 4.80 INR, 1AED = 20.31.

3) The above statement excludes inter company eliminations.

4) Excludes investment in subsidiaries.

5) 6981364 Canada Inc. merged with Jubilant DraxImage Inc. w.e.f. 31 May 2021.

6) Jubilant Drug Development Pte. Limited merged with Drug Discovery and Development Solutions Limited w.e.f. 31 March 2022.

Names of Subsidiaries which are yet to commence operations: - Nil

Names of Subsidiaries which have been liquidated/struck off during the year:

1) Draximage Limited, Ireland

2) Jubilant Innovation Pte. Limited

3) Jubilant Life Sciences (BVI) Limited

FORM AOC-1 (Continued)

PART "B" : ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in million)

	Shares of Associate/Joint Ventures held by the company on the year end									Profit/Loss for the year	
Sr. No.	**Name of Associates/ Joint Ventures**	**Latest audited Balance Sheet date**	**Date on which Associate or Joint Venture was associated or acquired**	**No.**	**Amount of Investment in Associates/ Joint Venture (₹ in million)**	**Extent of Holding %**	**Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in million)**	**Description of how there is significant influence**	**Reason why the associate/ joint venture is not consolidated**	**Considered in consolidation (₹ in million)**	**Not considered in consolidation (₹ in million)**
1	Sofie Biosciences, Inc.	December 31, 2021	November 4, 2020	2,796,747	1,951.07	25%	609.05	By virtue of shareholding	Not Applicable	(99.83)	Not Applicable

1) Names of associates or joint ventures which are yet to commence operations : Nil

2) Name of associates or joint ventures which have been liquidated or sold during the year : Nil

For and on behalf of the Board of Directors of **Jubilant Pharmova Limited**

Shyam S. Bhartia
Chairman
DIN:00010484

Place: Noida
Date: 27 May 2022

Rajiv Shah
Company Secretary

Arun Kumar Sharma
Chief Financial Officer

Hari S. Bhartia
Co-Chairman & Managing Director
DIN:00010499

Corporate Information

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CIN: L24116UP1978PLC004624

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Gurgaon – 122002
Haryana, India

Company Secretary
Naresh Kapoor

Registrars & Transfer Agents
Alankit Assignments Limited
205-208 Anar Kali Complex Jhandewalan Extension
New Delhi – 110 055
Tel.: +91 11 42541234

Bankers
The Hong Kong & Shanghai Banking Corporation Limited
Axis Bank Limited
Standard Chartered Bank
DBS Bank Limited
Bank of America, N.A.
ICICI Bank Limited
HDFC Bank Limited
RBL Bank Limited
Yes Bank Limited
Kotak Mahindra Bank Limited

Notes

Notes

Jubilant Pharmova Limited has published its FY 2022 Corporate Sustainability Report. The report has been prepared in accordance with the 'GRI Standards: Comprehensive option'. The Corporate Sustainability Report for FY 2022 is available at www.jubilantpharmova.com/sustainability/sustainability-report

JUBILANT PHARMOVA

Nurturing Life Addressing Needs

Sustainability Report 2021-22

Jubilant Pharmova Limited

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