



# JAGSONPAL PHARMACEUTICALS LIMITED

Corporate Office: Nimai Tower, 3<sup>rd</sup> Floor, Plot No. 412-415, Phase-IV, Udyog Vihar, Gurugram -122015,  
Haryana (India)

Ph.: +91 124 4406710; E-mail: [cs@jagsonpal.com](mailto:cs@jagsonpal.com); Website: [www.jagsonpal.com](http://www.jagsonpal.com)  
CIN NO. L74899DL1978PLC009181

August 27, 2024

The Department of Corporate Services- Listing <b>BSE Ltd</b> , Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400 001 <b>Scrip Code: 507789</b>	The Department of Corporate Services- Listing <b>National Stock Exchange of India Ltd</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 <b>Symbol: JAGSNPHARM</b>
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**Subject: Notice of the 45<sup>th</sup> Annual General Meeting and Annual Report for the FY 2023-24**

Dear Sir/ Madam,

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed the Annual Report and Notice convening the 45<sup>th</sup> Annual General Meeting of the Company, including the Business Responsibility and Sustainability Report, for the financial year 2023-24 which is scheduled to be held on Wednesday, September 18, 2024 at 03:30 p.m. (IST) through video conference or other audio-visual means (VC/OAVM), in compliance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (“SEBI”).

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

We request you to take the above on record.

Thanking you,

**For Jagsonpal Pharmaceuticals Limited**

**Abhishek Joshi**  
**Company Secretary & Compliance Officer**

Encl.: A/a



# Moving the **Pieces**



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# Key financial highlights FY24

**₹2,087 Mn**

Revenue

**₹364 Mn**

Operational EBITDA\*

**₹225 Mn**

PAT

**17.4%**

EBITDA Margin

**10.8%**

PAT Margin

**₹1,526 Mn**

Free Cash Balance

**57%**

Return on Capital Employed

**100%**

Proposed Dividend

\*Pre-ESOP

Jagsonpal Pharmaceuticals Limited is a legacy player in the Indian pharmaceutical sector, renowned for its commitment to trust, credibility, and affordability. Reflecting on the past year's journey, we undertook a series of decisive steps with the vision of moving towards a brighter future. Our tactical decisions were designed to enhance efficiencies, ensuring we are consistently prepared for sustained success and well-positioned to become a longstanding leader in the Indian pharmaceutical industry.

# Moving the Pieces

In FY24, we adopted a two-pronged strategy - introduction of several unique 'first-time-in-India' products in segments of existing presence while expanding the overall portfolio reach through an inorganic growth strategy. The latter provided entry into new therapeutic areas of Dermatology and Paediatric segments catapulted by our strength of large sales force equipped for critical specialties.

We optimised our distribution model, significantly improving last-mile delivery and expanding Jagsonpal's footprint across diverse geographies. Through an in-depth review of our internal processes, we identified and eliminated structural inefficiencies, streamlining operations and enhancing productivity.

As a future-ready organisation, we maintained a strong focus on building a robust leadership team, ensuring our readiness to seize emerging opportunities with an agile and empowered team.

We persistently upheld women's health central to our community enhancement initiatives, seamlessly integrating it into CSR endeavours. Our unique programmes are tailored to enrich the lives of women targeting every age group from menarche to menopause, enhancing their quality of life.

## Who we are

# Expanding our commitment to affordable **healthcare**

At Jagsonpal Pharmaceuticals Limited, we are firmly committed to deliver affordable essential medicines, with a keen focus on women's healthcare. Since our inception in 1978, we traversed a long way and established footing in multiple therapeutic segments with bespoke solutions.

Recognising the critical importance of gynaecology, orthopaedics, dermatology and paediatric, we strategically aligned our capabilities to build a robust presence in therapeutic sub-segments within these fields.



All along our journey we prioritised trust and credibility, positioning our Company as a respectable entity within the medical fraternity.

Our strong presence in several hormonal products which are high engagement products with doctors is a testament to our brand building capability. This is reflected in the market-leading positions held by several of our brands in their respective therapeutic segments.

Our commitment to accessibility and quality has reinforced our reputation as a reliable and credible name in the industry.

## Key facts



**73<sup>rd</sup>\***

Rank



**1,000+**

Total workforce



**900+**

Member strong sales team



**20**

Brands amongst Top 5 brands

\*As per IQVIA

## Progressing with purpose



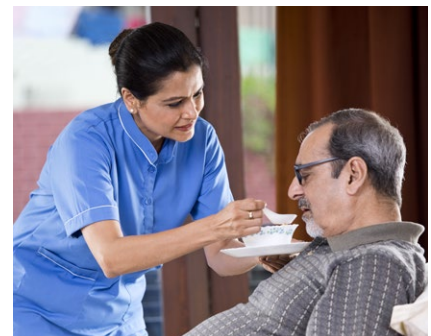
### Health

Our focus on nurturing a healthier future for all drives our goals and activities. We take pride in delivering value to our consumers and remain dedicated to continuing this commitment in the future.



### Science

We prioritise innovation and expansion to positively impact a wider cross-section of people. We persist in our aim to ensure that the country has access to the latest innovations of the global pharmaceutical industry.



### Service

We adhere to a patient-centric approach with a particular emphasis on their requirements, enabling us to meticulously design our portfolio to deliver tailored solutions accordingly.



## Who we are

### The Jagsonpal edge



#### Equity with doctors

We have established a strong brand equity with doctors on decades of trust, collaboration, and a proven track record.



#### Strong brands

We derive 60% of revenue from top 10 brands, reflecting commitment to specialised, high-quality solutions trusted by healthcare professionals.



#### Asset-light model

Leveraging Contract Manufacturing Organisation (CMO) sourcing model with top-tier manufacturers, we ensure adherence to highest quality standards.



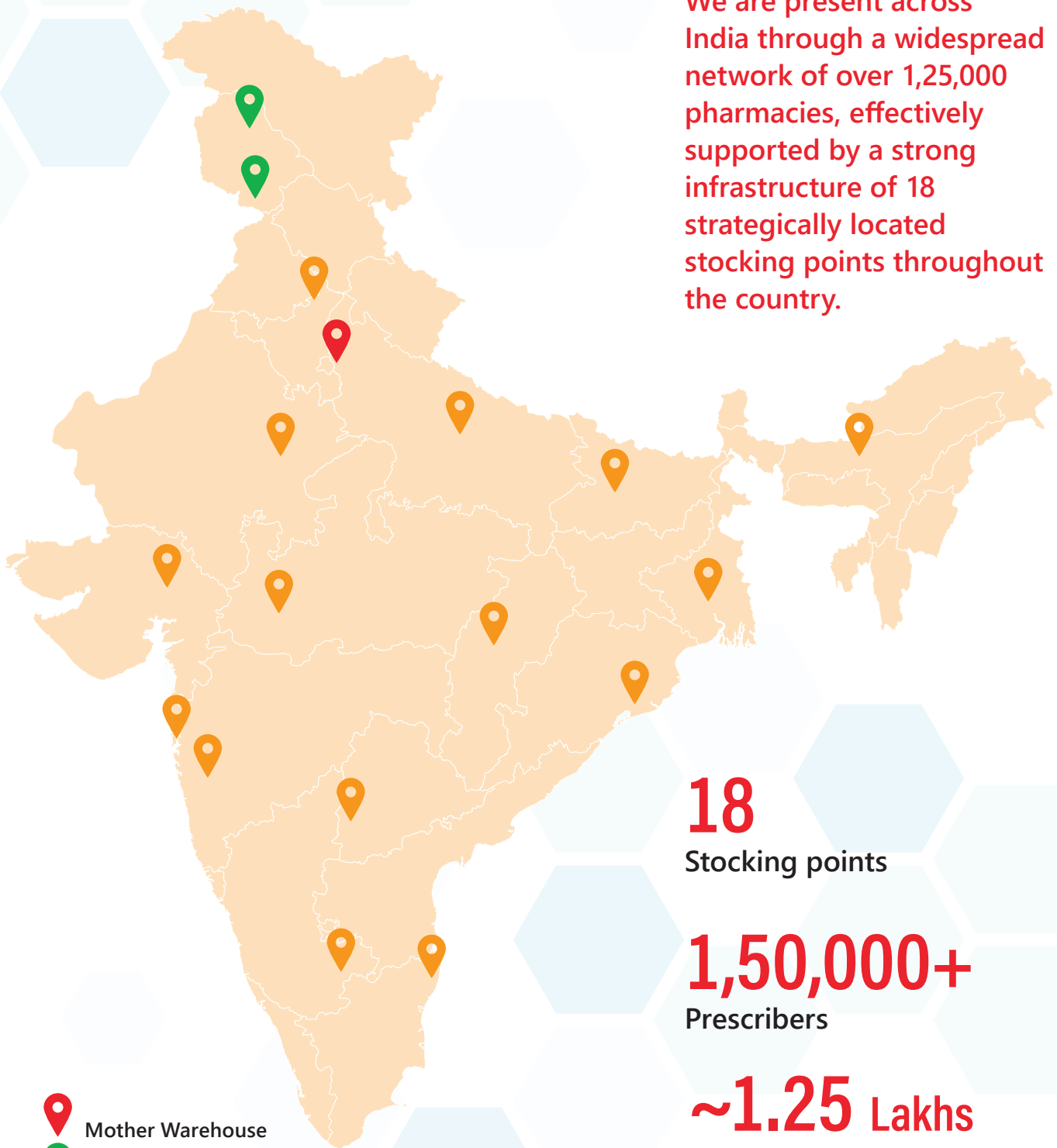
#### Robust portfolio




We offer a well-curated portfolio of sub-chronic therapeutic areas, less susceptible to genericisation.



## Pan-India footprint

We are present across India through a widespread network of over 1,25,000 pharmacies, effectively supported by a strong infrastructure of 18 strategically located stocking points throughout the country.



-  Mother Warehouse
-  Super Stockiest
-  CFA

**18**  
Stocking points

**1,50,000+**  
Prescribers

**~1.25 Lakhs**  
Pharmacies



## Offerings

# Broadening horizon with innovative solutions

We have a host of mid-sized brands that have risen to become top contenders within their respective molecule segments. Our perseverance and excellence are a testament of our capability in brand development. With strong execution capabilities, we are well-positioned to sustain market leadership and drive continued growth across these diverse healthcare segments.

Keeping in mind that several of our products are legacy brands launched before turn of the century, we directed our new product launches efforts on Product Life Cycle Management (PLCM) of these brands, which led to brand reinvigoration, providing necessary impetus to such brands.



## Product launches in FY24



### Lycored M

Unique combination for the Management of male infertility



### Lycored Plus

Improved Lycopene therapy with benefits of new anti-oxidants



### FeProtein

First time in India - Comprehensive pregnancy solution with increased Hemoglobin



### Equirex M

Preferred choice in Irritable Bowel Syndrome (Gut Health)



### Queezy ER

Once a day, tablet in tablet technology to help pregnant women from morning sickness



### Divatrone SR

Sustained release form of Dydrogesterone for better patient compliance



### MemUp

First time in India - Hormonal therapy for post-menopausal hot flashes/ hormonal balance



### ParvoCox

Novel Drug for management of osteoarthritis



### Indocap Gel

First Indomethacin gel for faster pain relief



## Acquisition

# Advancing through inorganic strategy

We took a significant leap in May 2024 by acquiring India and Bhutan business of Yash Pharma Laboratories Private Limited. This strategic move provided us access to a thriving market of two growing segments, valued at ~₹200 billion, besides adding 4 renowned brands to our portfolio which are ranked among top 10 in respective molecule categories. This acquisition adds an important chapter in our journey opening up fresh avenues of opportunities in the rapidly growing Dermatology and Paediatric segments.

The acquisition expands product offerings, thereby strengthening JPL's footing in the densely competitive Indian pharmaceutical market.

This move aligns with our growth strategy, reflecting commitment to deliver high-quality and specialised healthcare solutions that satisfy the dynamic requirements of valued customers.



### Acquisition highlights

**~₹20,000 cr**

Market access across Dermatology and Paediatric segments

**4**

Among top 10 brands

**50,000+**

Prescribers across India



## Key rationale

### Offers robust market opportunity

This move augurs well with our goal of widening presence in the Indian pharmaceutical market. Leveraging this opportunity, we are well-positioned to offer a comprehensive range of products, with the objective of delivering greater value to stakeholders.

### Fortifies presence in Western & Eastern regions

Access to a portfolio of strong brands in Western and Eastern regions allowed to solidify presence in Western part, while further deepening presence in Eastern part of the country.

### Furtherers prescriber reach

The acquisition allows us to further our prescriber reach from current 1 lakh to 1.5 lakh across the country.

### Brings market leading brands

A total of four brands from the acquired portfolio are among the top 10 brands in their respective segments, further showcasing our strategic mettle amidst a highly competitive marketplace.

### Amplifies field strength

Our field presence across the country is bolstered with around 225 new members joining us, taking the total strength of our field team to over 900.

### Main levers of this acquisition

- Provides an opportunity to enter the niche high-value derma-cosmeceutical segment.
- Target operating margins of consolidated business to exceed 20% within 18 months.

- Aims to extract synergies across all supply chain cost levers.
- Boosts field force productivity through strategic resource enhancement initiatives.

### Way forward

- Accelerate multiple mid-sized brands with significant growth potential.
- Leverage the synergy between our strong presence in the North and acquired business depth in the West to strengthen field presence in key metros like Delhi and Mumbai.
- Launch products in untapped derma markets such as hair care and acne.
- Advance specialty expansion to cater underpenetrated ENT specialists.

## Chairman's message

# Forging a stronger future with improved healthcare **offerings**



Dear Stakeholders,

It gives me immense pleasure to offer you an insight into our Company's journey in the year gone by when we took decisive steps to deliver on our long-term aspiration of building a great business. Everybody at Infinity Holdings is proud of the journey with Jagsonpal as we celebrate two exciting years together, and we remain excited about the prospect of building a great company and look forward to many more achievements ahead.



## Operating landscape

India's growth trajectory remains an inspiration on the global stage. The nation continues to dominate as the fastest-growing major economy, demonstrating a 5.5% GDP growth over the past decade. Amidst the present business scenario, three megatrends have emerged – global offshoring across sectors, digitalisation, and energy transition – all converging to redefine India's economic landscape. These trends are creating unparalleled opportunities for economic expansion, investment, and innovation in a country of over 1.4 billion people.

## Our commitment and progress

At Jagsonpal, our commitment revolves around the core principles of health, science, and service guiding us in every endeavour. Harnessing our focus on these fundamentals, we believe in forging collaborations with organisations aligned with our core principles, progressing through partnerships and innovative solutions.

Collectively, we remain committed to provide affordable, high-quality healthcare solutions, continuously striving to improve access to healthcare. Our stringent adherence to these principles reinforces our position as a trusted player in the healthcare industry, consistently working towards better health outcomes for all.

While the year started well, the business faced some challenges and in particular was hit by the intense competition and availability of counterfeit products in two of our flagship products. We however used these learnings to undertake several strategic initiatives to secure and strengthen the business model. Our efforts are paving the way for long-term success, ensuring that we continue to further our performance in the years to come.

## Entry into new segments

In May 2024, we successfully completed the acquisition of India and Bhutan businesses of Yash Pharma, achieving a milestone in our journey. This strategic move strengthens our business with complementary strengths, bolstering our five decades legacy of catering to domestic pharmaceutical demand.

With the integration of the acquired business, encompassing several leading brands in dermatology and paediatrics, we have cemented the legacy further.

This strategic move enables us to boost product offerings and establish presence in new segments valued at ₹200 billion (Source: IQVIA), teeming with burgeoning growth opportunities. The synergistic blend of our expertise, coupled with the expanded portfolios, better equips us to satisfy the diverse healthcare needs of our customers and drive sustained growth in the industry. This strategic alignment marks a pivotal step in our ongoing journey through continuous innovation, while broadening access to high-quality healthcare solutions.

## Employees - Our driving force

At Jagsonpal, we deeply acknowledge the immense value that our employees bring to propel our Company's transition. We prioritise their health and well-being as a vital element, integral to their holistic development. Our commitment is reflected in our human resource policies and procedures tailored for continuous investment in manpower, aimed at creating a rewarding work environment that fosters professional growth coupled with personal satisfaction.

## Social responsibility

As a responsible corporate citizen, we remain dedicated to our CSR focus, with particular emphasis on advancing women's health. In alignment with this objective, we brought in all our community initiatives under the 'MySakhi' umbrella. During the year, we also launched [www.mysakhi.in](http://www.mysakhi.in) - a platform focused on critical aspects of women's health across all stages of life, from menarche to menopause.

The website features initiatives led by medical experts to raise awareness about menopause management through interactive virtual discussions. Recordings of these sessions are also available on the website, ensuring widespread access to valuable information and empowering women with essential knowledge and resources for enhancing their health and well-being.

We also constructed four toilet complexes at multiples schools in the states of Uttarakhand and Punjab coupled with menstrual hygiene awareness programmes for young girls.

## The road ahead

As we eagerly anticipate the year ahead, distinct from the one behind us, we are geared to tap into the opportunities that lie ahead. We believe that challenges are unexplored opportunities for further growth, equipping us effectively for advancement and innovation. With determination and resilience, we are poised to navigate the path ahead, drawing traction from our ability to make meaningful strides towards a healthier, more equitable future.

I would like to extend my heartfelt gratitude to my fellow Board members for their support, valuable insights, and collective commitment to driving our organisation forward.

**Harsha**  
Chairman

## Managing Director's insight

# Aligning every piece to propel sustained growth momentum

Dear Stakeholders,

As we reflect on this year's journey, we acknowledge the highs and lows, the challenges encountered, the corrective actions taken and the milestones achieved. By strategically moving the right pieces, we implemented transformative changes within our business landscape.



This approach allowed us to reinforce our core strengths while adapting to new realities. With a distinguished journey spanning five decades, we have built our reputation as a leading player, with a special focus on development and commercialisation of Gynaecology and Orthopaedic products.

Renowned for enduring legacy and strong brand equity among doctors, we are distinguished in the pharmaceutical industry for our commitment to quality excellence and portfolio innovation. Central to JPL's success is a portfolio of robust brands tailored to niche markets, with top 10 brands contributing an impressive 60% revenue. By concentrating efforts on doctor-led engagement initiatives, we reinforced our credibility, and upheld the trust we meticulously cultivated.

### Overcoming challenges

This year, we faced significant headwinds that impacted our performance. However, we used this opportunity to undertake several initiatives to strengthen business, thereby facilitating strong recovery across all performance indicators in FY25. In response to intense hyper-competition in the Dydrogesterone market, we successfully executed a critical inventory correction for our product, Divatrone. Additionally, we addressed the issue of counterfeit inventory of Indocap SR, which threatened brand integrity, by implementing enhanced security features across all key brands. These moves were meticulously designed to combat counterfeiting and ensure integrity and trustworthiness of the products we bring to market. Further, divisionalisation of our main 'Pharma' division into 'FemBon' and 'BonEva' provided us the ability to understand doctor/patient needs better and created the space to launch several unique products tailored to those requirements.



## Performing with focus

We successfully achieved the desired outcomes from our structural initiatives, marking significant milestones in our journey. These accomplishments include streamlining operations, which led to improved business quality and enhanced cost efficiencies.

On the financial front, we reported a 12% decline in revenue at ₹2,087 million in FY24, compared to ₹2,370 million in FY23. Our operating EBITDA stood at ₹364 million in FY24, down from ₹434 million in FY23, reflecting 17.4% margin. Our PAT for FY24 was ₹225 million, compared to ₹267 million in FY23, with 10.8% margin. Our financial discipline ensured that we had an impressive addition of ₹350 million of free cash which stood at ₹1,530 million as on 31<sup>st</sup> March, 2024. This strong cash position provides us with enormous flexibility to deploy funds for long-term value creation, ensuring operational efficiency, sustained growth, and profitability.

In a crowded market, we take pride in maintaining momentum in product innovation and brand expansion. During the year, we launched several 'first-time-in-India' products, such as MemUp and Queezy ER, designed to enhance healthcare professionals' confidence and improve patient outcomes. We also focused on Product Life Cycle Management by launching brand extensions to strengthen core brands and capitalise on existing market opportunities with new molecules and combinations.

## Inorganic endeavour

FY24 was a pivotal year in the history of Jagsonpal, as for the first time Company undertook an acquisition - India and Bhutan business of Yash Pharma. This aligns with our vision to strengthen our position as a leading healthcare company focused on India, with multiple growth levers. It provides us access to a rapidly growing segments of Dermatology and Paediatric, consisting of a robust portfolio of 33 brands, including 4 that rank among top 10 in their respective molecule categories. Through this strategic move, we are well-positioned to capitalise on opportunities within newly added Dermatology and Paediatric segments, further solidifying our presence in the market. Looking ahead, our focus remains on supporting

the commercial leadership team in accelerating business growth and leveraging synergies across our expanded portfolio.

## Growth strategies

Over the past year, we clearly defined our strategy, and focus now shifts to meticulous execution. We are committed to ensuring that every step we take is purposeful, aligned with our core objectives, and drives us towards sustainable growth.

- Strengthen and expand the current portfolio with innovative product launches.
- Drive regional marketing strategies based on molecule potential and Company's strengths.
- Focus on in-clinic scientific initiatives strengthening Company's image as a trusted partner with the doctors.
- Pursue prudent inorganic initiatives leveraging our strong balance sheet and sales & distribution capabilities.

## Focus on employees

Our focus is on building a robust Leadership pipeline for current and future progression. Besides regular training activities for existing staff, we initiated significant activities for our Field and Leadership Teams. These training forums shall bring qualitative changes in the way in our doctor engagements.

Our constant endeavour as already said is to launch several unique products with value addition in the existing therapies. To optimise this, we launched Scientific Training & Empowerment Programmes (**STEP**) for our field team. This is a long term certification programme to enable them to communicate the benefits of the products to targeted specialties.

Considering one of the most significant challenges the industry is facing with respect to employee turnover, which also affects our business progression, we also launched 'Leadership Transformation Initiatives' under the name **VLEAD** to equip Field Leadership team with skills required for Team Building and Performance and Career growth orientation within their respective teams.

We have also initiated an management program for our Business Heads to skill them for complete business management role under the banner **PROGM**.

We are very confident the above initiatives would bring about perceptible changes.

## Focus on community

Our CSR philosophy pivots around strong commitment to promoting women's health and hygiene. In FY24, we unveiled a new approach to bring all CSR initiatives under the umbrella of 'MySakhi'; which was further enhanced with the launch of website [www.mysakhi.in](http://www.mysakhi.in) – a unique platform that focused on critical aspects of women's health across all stages of life, from menarche to menopause. We also accelerated our investments around women's health and hygiene by constructing multiple sanitation facilities in girls' schools in Punjab and Uttarakhand. We now have 7 such facilities operational, providing basic amenities in educational institutes which lacked the same. We are committed to strengthening and accelerating these initiatives going forward.

## Closing note

As we conclude another pivotal year in our journey, I extend my heartfelt gratitude to our dedicated team. Their perseverance and commitment have been the driving force behind our collective success. Together, we strengthened our organisation and positioned it for strong future growth. I also offer my sincere appreciation to my fellow directors for their invaluable guidance and contributions in navigating both challenges and opportunities throughout the year.

Our strategic moves have yielded promising results, propelling our business back onto a growth trajectory and setting a clear course for the future. We have developed a robust pipeline of new products across all divisions, effectively aligned and optimised our organisational structure. With these strategic manoeuvres and our persistent dedication, we are confident in our ability to sustain and amplify our growth momentum moving forward.

## Manish

Managing Director



## CFO's message

# Focusing on better efficiencies across the **Board**

Dear Stakeholders,

In FY24, our focus was on multiple strategic initiatives aimed at fostering robust business hygiene and operational excellence. We concentrated on improving efficiencies across all business segments and increasing distribution effectiveness and productivity. Improving working capital was crucial to our financial stability, allowing us to manage risks and leverage opportunities effectively.



We place significant emphasis on improving EBITDA to Cash conversion. We sought to realise synergies in corporate actions, optimising our resources and aligning our strategic objectives to achieve maximum impact. Our top priority was to lay a strong foundation for scalable and consistent growth.

We kicked off the year with a major strategic initiative of divisionalisation, which took three months to stabilise. This was further exacerbated by the availability of counterfeit products of our leading brand Indocap SR and increased competitive intensity around Divatrone. However, we tightened our processes in the second half of the year, setting the stage for stronger performance in FY25.

### Inorganic growth

We acquired the India and Bhutan businesses of Yash Pharma for ₹925 million, funded from our internal accruals. As of 31 March 2024, our cash balance stood at ₹1,526 million. This acquisition opens doors to the lucrative, fast-growing Dermatology and Paediatric segments, strengthening our presence in the Indian pharmaceutical market.

### Debt profile

Our unwavering commitment to financial prudence and operational efficiency has enabled us to maintain a remarkable achievement and continue to be zero-debt company. This accomplishment is a testament to our disciplined approach to financial management, strategic planning, and efficient resource allocation. By avoiding debt, we eliminate the associated interest payments, reducing our overall costs and improving our profitability.

Moreover, this debt-free status enhances our financial flexibility, allowing us to seize opportunities and navigate economic challenges with greater agility. Our dedication to remaining a zero-debt company is a cornerstone of our long-term financial strategy and a source of pride for our organisation.

### Cash flow

We stay focused on monthly cash generation through improved working capital management. This sustained increase in cash flow will enable us to pursue more inorganic growth opportunities in the future.

### Priorities to drive growth

We are pleased with our progress and believe we have laid a strong foundation for consistent growth. Our key priorities for the next year include the following:

- Lay a robust platform to continuously increase the EBITDA and PAT level.
- Drive branded formulations business back in growth in H1, accelerate H2 over H1.
- Seamless transition and complete integration of newly acquired business and strengthening of the balance sheet.
- Align working capital amongst all divisions to ensure cash is fungible across the organisation.
- Enhance return on capital employed (ROCE) and return on equity (ROE) to meet industry standards.
- Strengthen risk management programme.

- Focus on continuous improvement of compliance processes.
- Increase focus on IT automation to enable better decision-making covering all aspects of performance.
- Enhance the productivity of our teams and build a robust review mechanism to secure strong buy-in for the new incentive policy with the highest participation, while fine-tuning it to ensure that more field force start earning incentives to meet ever-growing demands
- Expand our CSR ambit through our flagship MySakhi programme.

I am confident that we have laid the necessary foundations to sustain our growth, prioritising the generation of free cash flow and the enhancement of return ratios. I would like to express my gratitude to all our stakeholders for their trust and support.

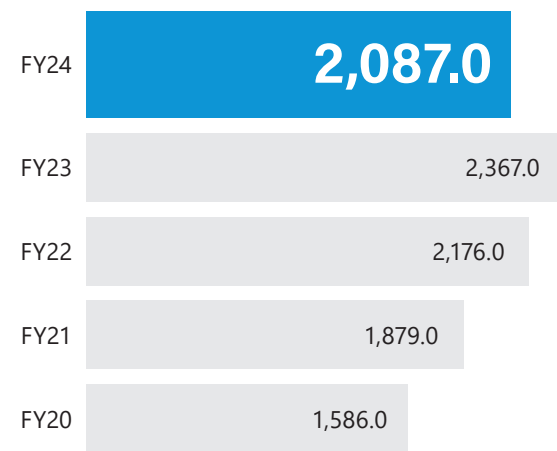
**Ashish Lakhota**  
Chief Financial Officer

## Key performance indicators

# Moving ahead with resilient **performance**

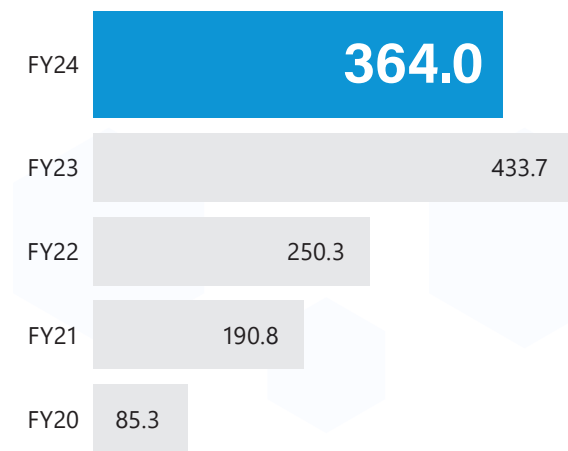
### Revenue

(₹ in Mn)



### Operational EBITDA\*

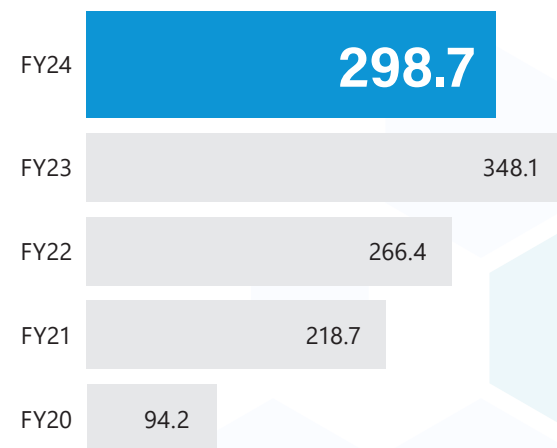
(₹ in Mn)



\*Pre-ESOP

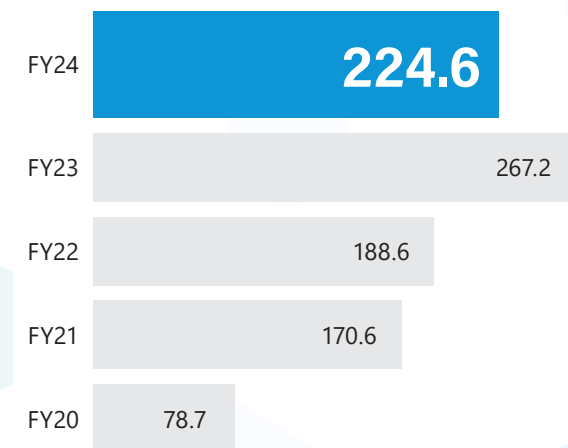
### Profit Before Tax

(₹ in Mn)



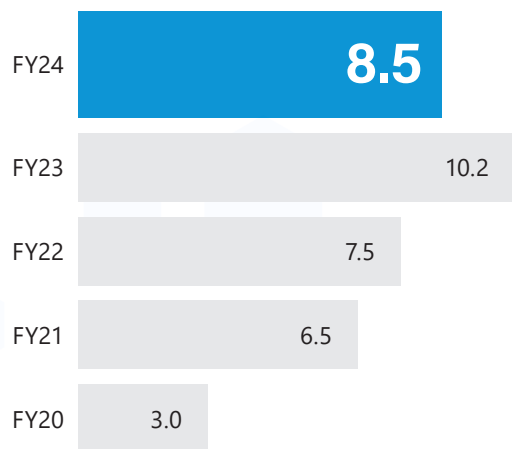
### Profit After Tax

(₹ in Mn)

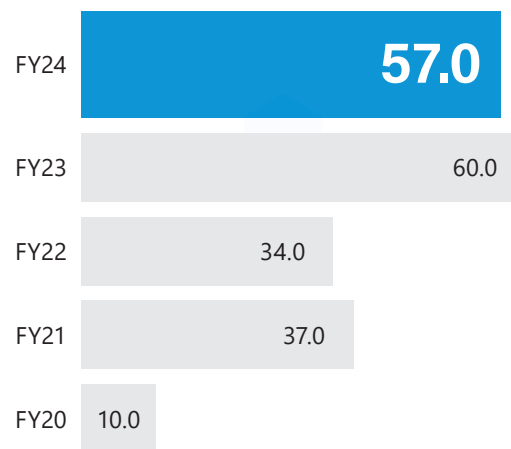


**EPS**

(₹)

**Return on Capital Employed\*\***

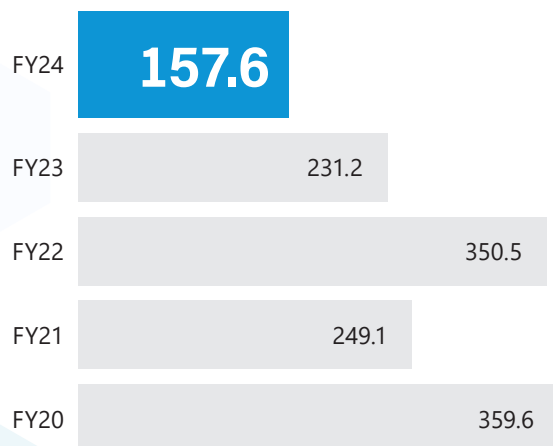
(%)



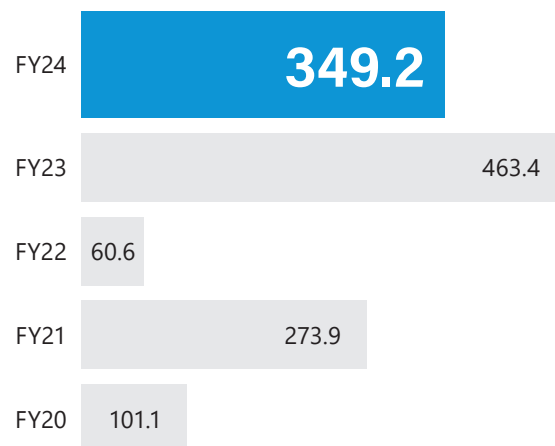
\*\*Net of treasury investments

**Net Working Capital**

(₹ in Mn)

**Free Cash Flow**

(₹ in Mn)



## People

# Staying united in our pursuit of collective **success**

At Jagsonpal, we cultivate a vibrant work ecosystem that empowers every member of our team to play a crucial part in our growth journey. We place utmost importance on strengthening our workforce as we consider them our greatest asset, driving us forward with their unmatched dedication and perseverance. To facilitate their holistic development, we nurture an environment where everyone's voice is heard and respected, and their aspirations are aligned with our Company's growth strategies.



As central to our operational ethos, we focus on enhancing the capabilities of our workforce by providing them with the opportunities for continuous learning and development. Concurrently, we strive to create a positive impact in their lives through our firm commitment to their health and well-being, staying united in our pursuit of collective success and growth.

We are committed to uphold transparency and ethical conduct, encouraging our employees to report any concerns without hesitation. We are dedicated to being a preferred employer, providing equal opportunities and nurturing a supportive and healthy workplace environment. Through our robust policies, including POSH and Whistle-blower policies, we put in place a seamless mechanism for our stakeholders to voice opinions and address issues promptly and effectively.

### Ensuring consistent learning and development

We prioritise in-house career development opportunities for all employees, including Team Leaders. Offering comprehensive training and leadership development activities are paramount to us, as we aim to continuously enhance the skillset of our workforce.

We regularly conduct Role/Function-based Learning and Development interventions to upgrade knowledge and skills, keeping our workforce abreast with the evolving market dynamics and business needs, while equipping them with the required competencies. Some of the trainings initiated in the financial year include Scientific Training & Empowerment

Programmes (**STEP**), Leadership Transformation Initiatives' under the name **VLEAD** and complete business management role under the banner **PROGM**. These initiatives are designed to empower our employees with essential abilities, while fostering a culture of adaptability and growth. Moreover, they are meant to enable our team surpass industry standards, while nurturing professional excellence across the board.

### Driving employee engagement

We boast of a senior leadership team that maintains close connections with the entire workforce through various modes, in addition to celebrating in-house promotions, special occasions, and festivals with our employees. Our dedication to employee well-being is reflected in our continuous learning and development initiatives, that include face-to-face sessions and webinars focused on physical and mental health. These endeavours are designed to foster a strong sense of belonging and work satisfaction among our team.

### Strengthening performance management system

We believe in transparency and implemented a transparent Performance Management System based on the Management by Objectives principle. Our Company has adequate systems for reward and recognition to incentivise deserving employees. This system ensures equitable evaluation, encompassing rewards, recognition, and internal promotions for high-performing employees. Throughout the year, employees are provided

with continuous feedback by their Reporting Managers to aid their professional growth and development.

In addition to regular appraisals, outstanding performance is further acknowledged through quarterly, half-yearly, and annual incentives, reinforcing our commitment to recognising and incentivising excellence within our workforce.

### Prioritising employee well-being

We accord highest priority to employees' physical and mental state of being. All of our employees benefit from the comprehensive health and life insurance coverage, including Group Medclaim Insurance, EDLI, Term Life Insurance, and Group Accidental Insurance policies. Coverage is also extended to their immediate dependents—spouses, children, and parents—through our Company's Group Medclaim Policies.

Jagsonpal strives to create a positive workplace environment and address the holistic healthcare needs of employees and their families. This commitment is fundamental to our operation, and we integrate the same in all our current and future initiatives.

## Corporate social responsibility

# Prioritising women's health with awareness and **action**

At Jagsonpal, we prioritise women's health in our community initiatives, with the commitment to enhancing access to healthcare services, promoting wellness programmes, and ensuring holistic well-being. By raising awareness and encouraging active management of women's health issues, we aim to empower them with the essential knowledge and resources required for healthier lives. Leveraging our women-centric endeavours, we stay committed to address diverse healthcare needs and support women in achieving optimal health outcomes throughout their journey.



↑ Mr. Prithi Kochhar visited the newly constructed girl's toilet

## Raising awareness through our newly launched website [www.mysakhi.in](http://www.mysakhi.in)



To reassert our commitment towards enhancing women's health across all life stages, encompassing the journey from menarche to menopause, we have launched the unique website, [www.mysakhi.in](http://www.mysakhi.in).

This platform consistently propels our ongoing CSR initiatives, which are focused on promoting women's health and hygiene.

We opted Menopause as theme for the year specifically focusing on one of the most crucial phases of women's life. Our Company has already made significant strides by constructing sanitation facilities at girls' schools in Punjab, Haryana, and Uttarakhand.

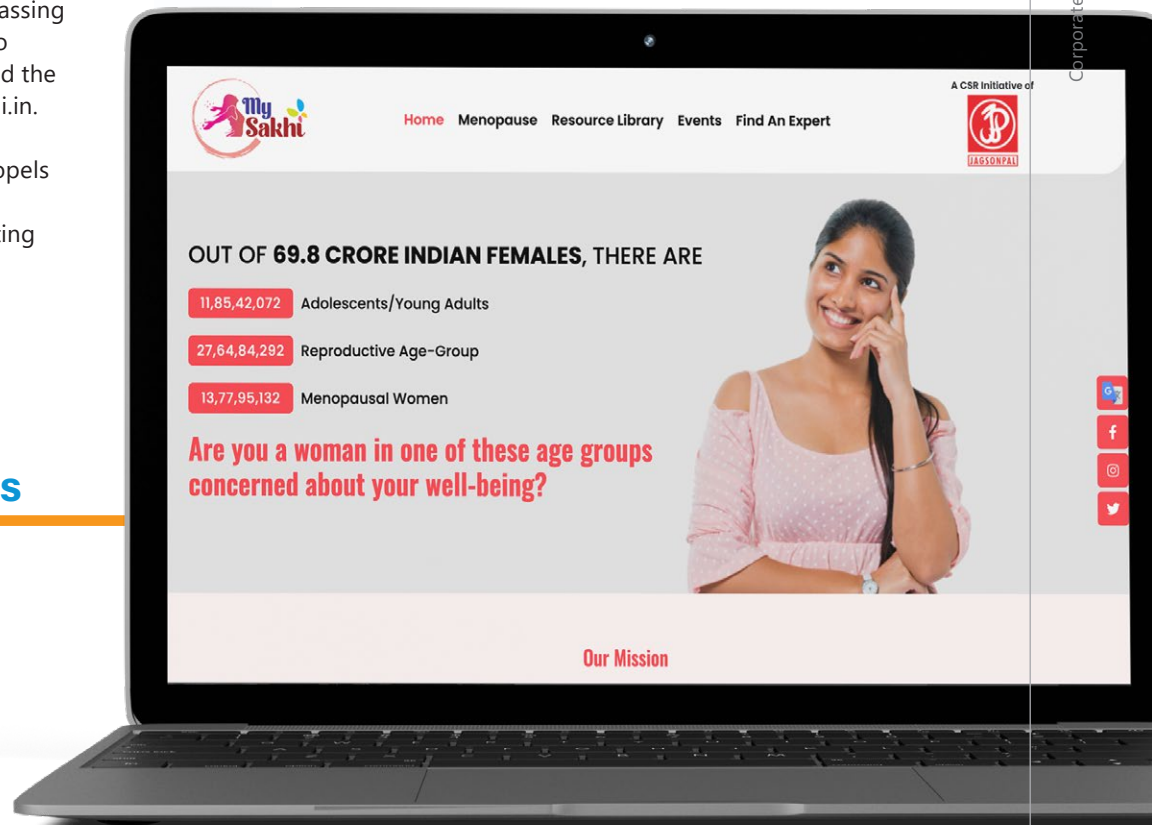
In addition to building infrastructure, we are deeply involved in initiatives that promote education and raise awareness about menstrual hygiene. We have started a programme to create awareness about menopause through online sessions.

## Website features



### Educational content

Offers comprehensive resources on various stages of women's health and management options.



↑ Home page of [www.mysakhi.in](http://www.mysakhi.in)



### Community engagement

Facilitates access to online community-based support groups.



### Expert guidance

Provides expert advice on health management, in addition to granting access to diagnostic lab tests, home testing kits, and medicines.



### Personalised health plans

Encourages users to create tailored health plans to meet their specific needs.



### Health Tools

Offers access to essential health resources, including diagnostic lab tests, home testing kits, and medications.



## Corporate social responsibility

### Driving consistent engagement

At Jagsopal, we are fostering community engagement through interactive virtual sessions aimed at educating and empowering women. We have conducted nine virtual events with emphasis on topics including:

- Menopause: An Eternal Truth - Embrace Your Golden Years with Full Vigour
- Menopause Myths
- Hot Flashes - Sometimes Hot, Sometimes Cold
- Importance of Menopause Clinics
- Vaginal Dryness & Sexual Dysfunction during Menopause
- Menopausal Transition and Bleeding
- Why Do We Need Hormone Replacement Therapy?
- What a Mature Women wants?
- Skin changes during Menopause

Our engagement spans various social media platforms including Facebook, LinkedIn, Instagram, WhatsApp, and Telegram, using groups, broadcasts, and channels to reach our target audience. Social media coverage and YouTube recordings of our events further enhance the depth of community engagement.

We distribute a weekly email newsletter to event attendees and potential participants, incorporating sections such as a feature article on menopause-related topics, myth-busting, expert Q&A, trivia, event updates, and recordings.

Going forward, we plan to offer complimentary self-testing diagnostic kits, discounted lab test coupons, and access to medicines

via e-Pharmacies to enhance engagement and support. We are going to unveil an online MySakhi Community Forum to further advance the cause we believe in.

We aim to extend our reach beyond virtual platforms and enhance awareness through physical events in collaboration with organisations, pharmacies, influencers, advertorials, and local radio channels.

### Ensuring well-being through sanitation

We inaugurated four new toilet complexes in Uttarakhand and Punjab as part of our CSR initiative, along with menstrual hygiene programmes for girl students at Government Girls Inter College, Fazilpur Mahrola, Rudrapur, Government Girls Higher Primary School, Udham Singh Nagar, Rudrapur in Uttarakhand, Girls Senior Secondary School, Shaheed Bhagat Singh Nagar, Naawan Shahar in Punjab and Government Girls Senior Secondary School, Sri. Aanand Pur Sahib, District Rupnagar, Punjab.

We had already built multiple sanitation facilities equipped with sanitary napkin vending machines and incinerators at various locations, including girls' schools in Punjab and Haryana.



↑ Newly constructed toilet at Naawansahar, Punjab

We also conducted programmes on menstrual hygiene education and awareness for adolescent girls. Through CSR initiatives under the 'MySakhi' banner, a comprehensive environment was provided to foster the well-being and empowerment of

women across all stages of life, from adolescence to menopause. 'MySakhi' programmes included community engagement, virtual educational sessions, expert guidance, and resources supporting women's health and wellness.

# Board of Directors

## Leading our vision



**Harsha Raghavan**  
Non-Executive Chairman



**Debasis B Nandy**  
Independent Director



**Radhika M Dudhat**  
Independent Director



**Pallavi Dinodia Gupta**  
Independent Director




**Prithipal Singh Kochhar**  
Non-Executive Director





**Manish Gupta**  
Managing Director




 Audit Committee

 Nomination and Remuneration Committee

 Stakeholder Relationship Committee

 Corporate Social Responsibility Committee

 Risk Management Committee

 Chairperson

 Member

# Corporate Information

## BOARD OF DIRECTORS

### Harsha Raghavan

Chairman and Non-Executive Director

### Debasis Bikash Nandy

Independent Director

### Pallavi Dinodia Gupta

Independent Director

### Radhika Madhukar Dudhat

Independent Director

### Prithipal Singh Kochhar

Non-Executive Director

### Manish Gupta

Managing Director

## CHAIRMAN EMERITUS

Rajpal Singh Kochhar

## CHIEF FINANCIAL OFFICER

Ashish Lakhota

## COMPANY SECRETARY AND COMPLIANCE OFFICER

Abhishek Joshi

## STATUTORY AUDITORS

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

## INTERNAL AUDITORS

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

## COST AUDITORS

M/s. Kirit Mehta & Co.,  
Cost Accountants

## REGISTERED OFFICE

T 210 J Shahpur Jat New Delhi – 110 049

## CORPORATE OFFICE

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

## REGISTRAR AND SHARE TRANSFER AGENTS

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

## CORPORATE IDENTIFICATION NUMBER

L74899DL1978PLC009181

## SCRIP CODE

BSE: 507789  
NSE: JAGSNPHARM

## INVESTOR RELATIONS

Email ID: cs@jagsonpal.com  
Tel.: 0124-4406710



# Management Discussion and Analysis

## Economic environment

### World

In the face of an evolving macro-environment, the global economy demonstrated remarkable resilience. Despite challenges such as supply chain disruptions due to the conflict in Ukraine, which led to a global energy and food crisis, the world economy managed to stay afloat. These challenges escalated inflationary pressures, prompting a worldwide tightening of monetary policies. However, the global economic growth, which stood at 3.2% in 2023, is projected to continue in the years 2024 and 2025, albeit at a slower pace compared to historical standards. This is due to factors such as high borrowing costs, reduced fiscal support, and the lingering effects of the Ukraine conflict. Additionally, weak productivity growth and increasing geoeconomic fragmentation pose further challenges to the growth outlook.

Despite these challenges, the global headline inflation is expected to decline from an annual average of 6.8% in 2023 to 5.9% in 2024, and further down to 4.5% in 2025. Interestingly, advanced economies are expected to reach their inflation targets before emerging market and developing economies. Economic activity has shown resilience, surpassing expectations of stagflation and a global recession. Several large emerging market and middle-income economies have performed particularly well, supported by robust private consumption and improving labour market conditions, which bolstered aggregate demand. This is a testament to the strength and resilience of the global economy.

### Global Economic Growth

(in %)

	Year-on-Year		
	2023	2024	2025
World	3.2%	3.2%	3.2%
Advanced Economies	1.6%	1.7%	1.8%
Emerging Market and Developing Economies	4.3%	4.2%	4.2%

Source: World Economic Outlook – April 2024

Moving forward, the global economy needs to navigate through uncertainties arising from geopolitical tensions and potential price spikes. Measures need to be taken to manage the interplay of high interest rates, household debt, and mortgage adjustments to maintain financial stability. Central banks worldwide have a crucial role in managing inflation during this economic transition. Medium-term fiscal consolidation is necessary to rebuild fiscal space and ensure debt sustainability. Tailored policy responses and supply-enhancing reforms are needed to address inflation, reduce debt, foster growth, and narrow income disparities.

### India

In the 2023-24, India continued to shine as one of the fastest-growing major economies worldwide, hitting remarkable milestones. The country's GDP growth is projected at 7.6%, marking the third year in a row of exceeding 7%. This growth has positioned India as a desirable investment hub and strengthened its global presence. Strategic improvements in both physical and digital infrastructure have amplified productivity and sectoral outputs. The government's economic strategy is centred on reigniting growth engines, revitalizing the financial sector, and simplifying business operations to stimulate economic activity. Upgrades in infrastructure aim to improve connectivity and manufacturing competitiveness, thereby fostering a business-friendly environment and enhancing governance. Significant progress in the pharmaceutical and healthcare sectors has been made with initiatives like Ayushman Bharat, thereby improving healthcare accessibility.

### Indian Economy GDP Growth Rate

(in %)

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
GDP Growth Rate (%)	4.2	(6.6)	8.7	7.0	7.6

Source: CSO, RBI

India continues to display robust growth and resilience in the face of global economic challenges. With projected growth rates exceeding 7%, India's economic potential is evident. Backed by solid macroeconomic fundamentals, rising domestic consumption and positive sentiments, India has emerged as a hub of economic opportunity. India's emphasis on lowering logistics costs is crucial in its quest to become a significant player in global trade networks and reach a US\$5 trillion economy by 2025.

### Global pharmaceutical industry

The pharmaceutical industry is currently traversing a terrain filled with both opportunities and escalating complexity. Manufacturers of specialty products, chronic disease medications, and generic drugs are well-positioned to capitalize on growth opportunities, especially in the context of aging populations.

In 2023, the global pharmaceutical industry was valued at \$1.28 trillion. It is projected to grow at a Compound Annual Growth Rate (CAGR) of 6-9%, reaching \$2.23-2.25 trillion by 2028. The factors should be the rising accessibility to pharmaceutical products and large population base unless specified in the referred report.

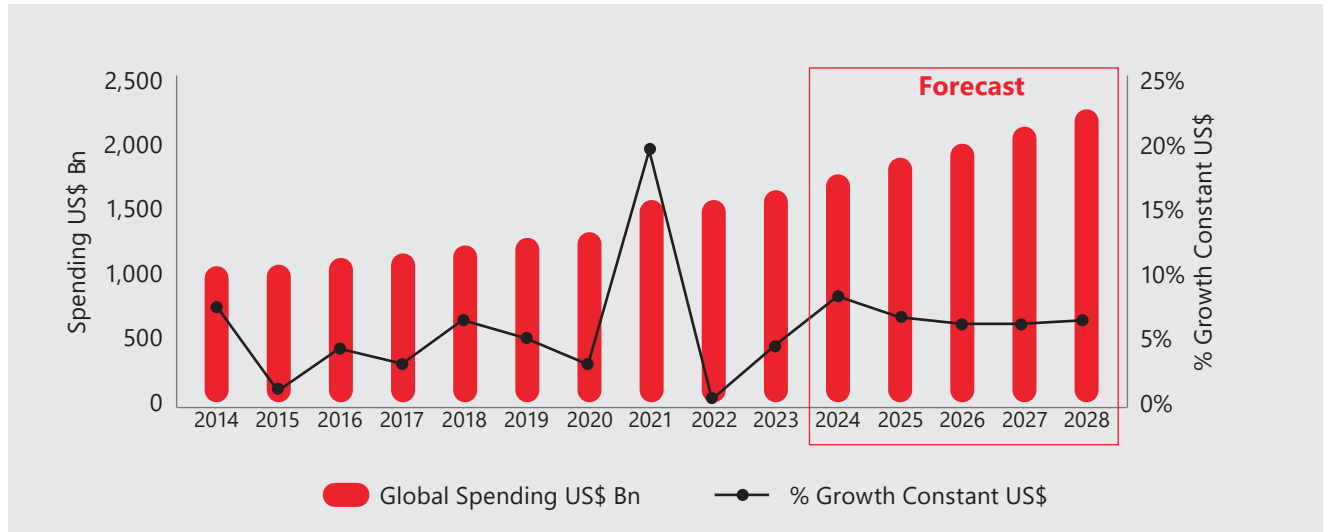
Source: IQVIA Market Prognosis, Sep 2023; IQVIA Institute, Dec 2023

## Global pharmaceutical market growth

(US\$ billion)				
Region	2023	4-year CAGR	2028	4-year CAGR
Developed	1,275.5	7.2%	1,775-1,805	5-8%
Pharmerging	303.7	7.8%	400-430	10-13%
Lower income countries	27.6	5.6 %	33-37	3-6%
Global	1,606.8	7.3%	2,225-2,255	6-9%

Source: IQVIA Market Prognosis, Sep 2023; IQVIA Institute, Dec 2023

## Global medicine market size and growth 2014-2028 including estimated COVID-19 vaccine and therapeutic spending



Source: IQVIA Market Prognosis, Sep 2023; IQVIA Institute, Dec 2023

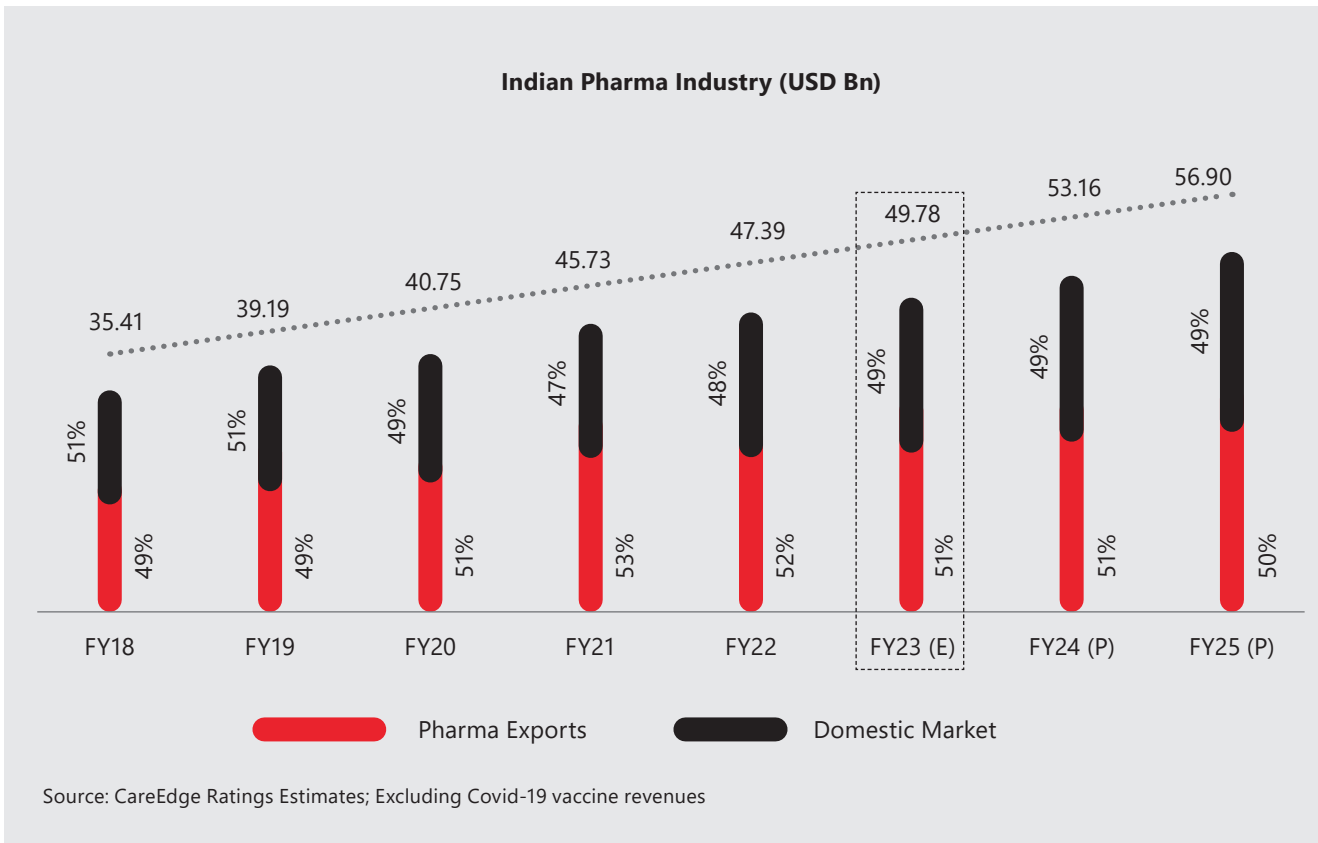
### Indian pharmaceutical industry

India is one of the leading drug supplier to the global market, renowned for its healthcare affordability. Over the years, the Indian pharmaceutical industry has experienced remarkable growth, emerging as a key player internationally.

Comprising multinational corporations, domestic enterprises, and regional players, the Indian Pharmaceutical Industry has shown significant expansion, with a Compound Annual Growth Rate (CAGR) of 6%-8% during FY18-FY23. This growth is attributed to an 8% increase in exports and a 6% rise in the domestic market during the same period. Projections suggest that the industry is on track to reach USD 57 billion by FY25, with both pharmaceutical exports and the domestic market contributing equally to this growth.

India has built strong research and development capabilities, attracting investments from multinational corporations drawn to its cost-efficiency. The country boasts largest number of USFDA compliant pharmaceutical manufacturing sites outside the US, a testament to its competitive edge.

The industry's diverse offerings include generic drugs, Over The Counter (OTC) medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics. This comprehensive portfolio reflects India's commitment to innovation, affordability, and accessibility in healthcare solutions, reinforcing its position as a global pharmaceutical leader.



Moving forward, a recent EY FICCI report indicates a growing consensus on providing new innovative therapies to patients, estimating that the Indian pharmaceutical market will reach a value of US\$ 130 billion by the end of 2030.

### Growth drivers

**Increasing Life Expectancy:** The domestic pharmaceutical market is witnessing a gradual surge in demand, propelled by the rising life expectancy and improved healthcare services. This demographic shift underscores the necessity for innovative healthcare solutions to meet evolving medical needs.

**Evolving Lifestyles:** The healthcare sector is confronted with a growing demand for pharmaceutical interventions to address chronic ailments resulting from sedentary lifestyles, unhealthy dietary patterns, and environmental factors. This necessitates the development of effective treatment options to tackle emerging health challenges.

**Enhanced Purchasing Power:** The expanding middle-class population and rising incomes are expected to boost the demand for healthcare solutions, leading to better access to healthcare needs. This trend highlights the growing penetration of healthcare services.

**Impact of Health Insurance and Infrastructure:** Government-backed healthcare programs are playing a pivotal role in enhancing healthcare insurance coverage, thereby making medical services accessible to the masses.

### Technological Advancements in Healthcare:

Advancements in technology, such as telemedicine, wearable devices, and digital health platforms, are revolutionizing the healthcare landscape. These innovations are enabling remote monitoring, personalized treatment plans, and improved patient outcomes. As technology continues to evolve, there will be an increased adoption of digital health solutions, leading to a greater demand for pharmaceutical products tailored to the patient requirements.

### About Jagsonpal Pharmaceutical

#### Company Overview

Established in 1978, with a reputable history spanning over 46 years, Jagsonpal has successfully expanded its presence nationwide by providing access to quality services. The Company primarily operate in the Gynaecology, Orthopaedics, Dermatology and Paediatric segment with a steadfast commitment to quality and innovation.

Over time, the Company developed a well-curated portfolio of multiple mid-sized brands 20 of which rank among the top 5 in their molecule segment, reflecting our commitment to excellence and customer satisfaction. The company has a nationwide presence, particularly in the northern, eastern and western region of the country, with a sales force of over 975 individuals having a reach to over 1,50,000+ prescribers.

## Recent developments

Year	Milestones	Consequence
2022	Infinity Holdings acquires significant stake and becomes Promoter of Jagsonpal	Onboarding of a private equity party as a joint promoter
	Launch of Divatrone	Jagsonpal ranked 1 <sup>st</sup> runner up in <b>“New Introduction upto ₹ 500 Crores”</b> category by <b>AWACS Marketing Excellence Award 2022</b>
2023	Divisionalization	Transition to 3 operating divisions namely BonEva, FemBon and Naari
	New Product Introductions	Launched new products to offer innovative products to the Indian consumers
2024	Acquisition of India and Bhutan Business of Yash Pharma Laboratories Private Limited (“Yash Pharma”)	Access to Dermatology & Paediatric segment

### Acquisition of India and Bhutan Business of Yash Pharma

While the Company faced multiple headwinds during the financial year 2024 on both internal & external front, it was carefully evaluating its next source of growth engine which transpired in May'2024, when the Company entered into a Business Transfer Agreement to acquire Yash Pharma's India & Bhutan business, including its brands and associated trademarks. The total consideration for this purchase was ₹ 92.47 Crores, funded from the company's cash and internal accruals.

#### Brief about Business

1. Operating since 1972, the Company is engaged in manufacturing and marketing of Dermatology and Paediatric focused products
2. The Company has a nation-wide field presence of ~ 225 people and a portfolio of 33 brands comprising Demelanizing agents, Antifungals, Haircare, and Cough preparations
3. Strong doctor connect with ~54,000 prescribers across the country

#### Strategic Rationale

1. The acquisition gives access to ~₹ 20,000 Crores market of Dermatology and Paediatric segment and aligns well with Company's strategic goal to broaden presence in the Indian pharmaceutical market
2. Strengthens presence in Western and Eastern regions of the country and gives access to a wider section of specialist – Dermatologists and Paediatricians
3. Increases Doctor reach by 50% to 1,50,000+ prescribers
4. Improves market standing by 18 positions to 73<sup>rd</sup> rank as per IQVIA
5. It allows for an effective deployment of free cash for long term value creation

The Company successfully completed the business integration which involved initiatives undertaken across the organization aimed towards better product availability, robust distribution and a culture of employee well-being.

### Overview of key therapeutic segment & performance of last 2 years

Segments	Current Annual Segment Sales (Crores)	2-year growth
Gynaecology	₹10,922	10%
Pain/ Analgesics	₹17,318	11%
Dermatology	₹14,999	7%

### Employees

The company strongly believes that its over 950 employees are its most valuable assets. Promoting a culture of fairness, it strives to provide equal growth opportunities to all individuals within its workforce.

To foster continuous learning and development, the company regularly conducts workshops aimed at enhancing knowledge and skill sets among its employees. Through tailored Individual Development Plans, it strives to support individuals in their career growth aspirations. Recognizing the importance of physical and mental well-being, the company conducts yoga sessions to alleviate stress, alongside training sessions focused on scientific knowledge, communication, and managerial skills.

In addition to prioritizing employee well-being, the company ensures their financial security by providing comprehensive health and life insurance coverage through Group Medclaim Insurance, Term Life Insurance, and Group Accidental Insurance policies.

Emphasizing a healthy and transparent work environment, the company encourages employees to act ethically and speak up against malpractices without hesitation. This commitment to employee welfare and integrity underscores the company's dedication to fostering a positive and supportive workplace culture.

### Policies & Processes

**Recruitment Policy:** The Company's recruitment policy ensures that all candidates receive equal opportunities. The recruitment criteria are well-defined to shortlist candidates for specific job roles. Once candidates clear the preliminary interview rounds, thorough reference checks are conducted



before finalizing their selection. Proper assessment forms are filled by each interviewer during the interview process, and panel interviews are conducted for critical positions.

**Performance Appraisal Policy:** The Company has a transparent Performance Management System ensuring fair evaluation and providing rewards and recognition to performing employees. Key Performance Objectives (KPOs) are discussed with employees at the beginning of the financial year in line with their job responsibilities. Functional heads ensure that KPOs are quantifiable and aligned with organizational and departmental goals. Throughout the year, employees receive regular feedback on areas for improvement from their reporting managers. During evaluations, employee performance is assessed against mutually agreed KPOs.

**Group Mediclaim Insurances (GMP) Policy:** All employees are covered under the Group Mediclaim Policy with an option to extend coverage to their spouses, children, and parents. The policy includes cashless treatment and covers all pre-existing diseases without any waiting period.

**EDLI and Term Life Insurance Policies:** These policies cover all employees and provide support to the deceased employee's family in case of an unfortunate incident.

**Group Accidental Insurance Policy:** This policy provides coverage in the event of an employee accident, offering allowances and support during bed rest. The nominee of the employee receives financial support in case of incapacitation.

**Whistle-blower Policy:** This policy establishes a mechanism to report instances of unethical behaviour, fraud, or violation of the company's code of conduct and ethics policy. The concerned ethics counsellor handles such matters with priority, sensitivity, and confidentiality. The company condemns discrimination, harassment, oppression, or any unfair employment practices against whistle-blowers.

**Prevention, Prohibition, and Redressal of Sexual Harassment of Women at Workplace Policy:** The Company maintains a zero-tolerance policy towards sexual harassment and complies with the POSH Act, 2013. An Internal Complaints Committee is in place to investigate POSH-related matters sensitively. The company conducts various training modules and awareness programs to educate employees on these issues.

All concerns regarding misconduct or ethics violations are taken seriously, and formal investigations are conducted as needed. If the investigation findings confirm the allegations, appropriate action is taken in accordance with the company's guidelines.




Our company is deeply committed to empowering women and fostering a culture of equality. We actively promote gender diversity across all levels of our organization. At our Corporate Office in Gurugram, women make up 17% of our staff. We continuously strive to enhance this representation and create an inclusive environment where everyone has an opportunity to thrive.

## Threats, Risks and Concerns

### Risk Management

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Company has constituted a Risk Management Committee comprised of Directors. The details of Committee composition, charter, meetings held and participation of Directors are provided in the Corporate Governance Report. This committee convenes periodically to assess and enhance the effectiveness of our risk mitigation strategies.

As part of our risk management framework, the company has conducted a comprehensive risk assessment exercise and identified several potential risks. These include but are not limited to:

Key risk	Mitigation Plan/ Remarks
 <p><b>Structural Risk</b> The government regulates prices of pharmaceutical products to ensure product affordability and releases a National List of Essential Medicines (NLEM) to regulate prices Jan Aushadhi Scheme and government push to prescribe generic medicines</p>	The company frequently introduces product line extensions to decrease reliance on existing NLEM products. It prioritizes niche molecules over mass-market offerings under the scheme.
 <p><b>Access Security Risk</b> Unauthorized access poses significant risks to organizations, leading to data breaches, theft of sensitive information, financial losses, reputational damage, and legal consequences,</p>	Firewalls and antivirus software have been installed to enhance security measures. Additionally, password-protected systems have been implemented to mitigate potential incidents.
 <p><b>Data management</b> Insufficient back-up and recovery protocols heighten the risk of data loss, downtime, financial impact, and reputational damage during emergencies.</p>	Periodic data backups are conducted to prevent data loss, and the implementation of a disaster recovery system is underway to further enhance data protection measures.



(₹ In Million)

	As at March 31, 2024	As at March 31, 2023	Difference
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9.10	183.50	-174.40
Goodwill	-	-	-
Right of use assets	83.92	59.28	24.64
Financial assets			
(i) Investments	-	11.21	-11.21
(ii) Other financial assets	51.70	26.44	25.26
Income-tax assets (net)	12.46	3.12	9.34
Other non-current assets	21.06	20.32	0.74
<b>Total non-current assets</b>	<b>178.24</b>	<b>303.87</b>	<b>-125.63</b>
<b>Current assets</b>			
Inventories	149.97	206.76	-56.79
Financial assets			
(i) Investments	-	-	-
(ii) Trade receivables	109.51	208.72	-99.21
(iii) Cash and cash equivalents	127.60	110.53	17.07
(iv) Bank balances other than (iii) above	1,351.74	1,035.73	316.01
(v) Other financial assets	1.10	3.15	-2.05
Other current assets	80.83	80.70	0.13
Assets held for sale	171.79	-	171.79
Total current assets	1,992.54	1,645.59	346.95
<b>Total assets</b>	<b>2,170.78</b>	<b>1,949.46</b>	<b>221.32</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	132.19	130.99	1.2
Other equity	1,741.83	1,457.91	282.92
<b>Total equity</b>	<b>1,874.02</b>	<b>1,588.90</b>	<b>285.12</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	75.57	52.47	23.1
Provisions	9.18	10.75	-1.57
Deferred tax liabilities (net)	20.73	21.63	-0.9
<b>Total non-current liabilities</b>	<b>105.48</b>	<b>84.85</b>	<b>20.63</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	-	-	-
(ii) Lease liabilities	13.84	7.54	6.3
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16.44	29.33	-12.89
Total outstanding dues of creditors other than micro enterprises and small enterprises	59.52	136.47	-76.95
(iv) Other financial liabilities	67.14	77.44	-10.3
Other current liabilities	26.82	23.15	3.67
Provisions	7.52	3.76	3.85
Current tax liabilities (net)	-	0.19	-0.19
<b>Total current liabilities</b>	<b>191.28</b>	<b>275.71</b>	<b>-84.43</b>
<b>Total liabilities</b>	<b>296.76</b>	<b>360.56</b>	<b>-6.38</b>
<b>Total equity and liabilities</b>	<b>2,170.78</b>	<b>1,949.46</b>	<b>221.32</b>

## Non-current assets

### Property, plant and equipment (PPE)

PPE decreased from ₹ 183.5 million in FY 2023 to ₹ 9.10 million in FY 2024 as the company classified its Faridabad facility as Non-current asset held for sale as its carrying amount will be recovered principally through a sale transaction rather than through its continuing use.

### Right-of-Assets (ROU)

During the year, the company added new warehouse facility on lease to its Right of use asset (ROU). The value of new lease asset is ₹ 36.20 million. Depreciation charged on ROU is ₹ 11.56 million.

### Non-current investments

Decrease in non current investment from ₹ 11.21 million in FY 2023 to nil in FY 2024 is due to liquidation of entire investment in equity instruments and perpetual bonds by the company.

## Current assets

### Inventories

The decrease in inventories from ₹ 206.76 million in FY 2023 to ₹ 149.97 million in FY 2024 is due to better material procurement planning and inventory management.

### Trade receivables

The decrease from ₹ 208.72 million in FY 2023 to ₹ 109.51 million in FY 2024 is mainly due to sales moderation and improvement in trade receivable cycle from 32 days in March 31, 2023 to 19 days in March 31, 2024.

### Other current financial assets

The decrease in other current financial assets from ₹ 3.15 million in FY 2023 to ₹ 1.10 million in FY 2024 is due to recovery of security deposits.

## Equity

### Lease Liabilities

Increase in lease liabilities from ₹ 52.47 million in FY 2023 to ₹ 75.47 million in FY 2024 is due to new warehouse facility taken on lease.

## Current liabilities

### Trade payables

Decrease in trade payables from ₹ 165.80 million in FY 2023 to ₹ 75.96 million is mainly due to timely vendor payment and better material procurement planning.

## Other Financial liabilities

Decrease in other financial liabilities from ₹ 77.44 million in FY 2023 to ₹ 67.14 million is due to change in policy of statutory bonus payment. Statutory bonus is now paid with monthly payroll as against annually in the past.

## Key Ratios:

Particulars	FY 2024	FY 2023
*Current Ratio	9.5	5.8
**Net Capital Turnover Ratio	1.3	1.7
Net Profit Ratio	10.8	11.3
Debtor Turnover Ratio	19.1	11.3
Inventory Turnover Ratio	13.9	11.5

\*Assets held for sale excluded

\*\*Adjusted for cash balance

## Outlook

- The Company will be concentrating efforts on the identified set of brands with an intent to build brand leaders in segment of strengths
- It believes that optimization of supply chain operations particularly distribution will play a pivotal role in providing timely last mile delivery of company's products across the county
- The Company's focus is on enhancing presence among Gynaecologist, Orthopaedician, Dermatologist and Paediatrician
- The Company is exploring in-licensing & bolt on opportunities by leveraging strong internal sales and distribution capabilities to further strengthen portfolio offerings

## Internal Control Systems and their Adequacy

The Company has adequate internal control systems in place, which provide reasonable assurance about the integrity and reliability of financial statements. M/s. S S Kothari Mehta & Company, Chartered Accountants, perform internal audits to provide reasonable assurance over the effectiveness of internal controls and advise on industry-wide best practices. The Audit Committee, consisting of Independent Directors, reviews important issues raised by the Internal and Statutory Auditors, thereby ensuring that risks are appropriately mitigated with periodic rectification measures.

# Report of the Board of Directors

## Dear Members

The Board of Directors are pleased to present the 45<sup>th</sup> Annual Report of the Company, together with the audited financial statements for the financial year ended March 31, 2024.

## FINANCIAL HIGHLIGHTS

The financial statements of the Company are prepared in accordance with the applicable provisions of the Companies Act, 2013 (the 'Act') including Accounting Standards as specified in Section 133 of the Act, read with the Companies (Accounts) Rules, 2014, and amendments thereof. The financial highlights of the Company for the financial year ended March 31, 2024, are summarised below:

Particulars	₹ in Millions)	
	2023-24	2022-23
Revenue from operations	2087.02	2367.14
Other Income	92.79	57.34
Operating Expenditure	1856.35	2025.63
Profit for the year before interest, depreciation and Amortization and tax	323.46	398.86
Less: Finance costs	8.14	4.13
Less: Depreciation	16.63	12.05
<b>Profit/(Loss) before tax (before exceptional items and tax)</b>	<b>298.69</b>	<b>382.68</b>
Exceptional items	-	34.59
Provision for taxation	75.60	76.32
Provision for Deferred tax charge/(credit)	(1.54)	4.56
<b>Profit/(Loss) after tax</b>	<b>224.63</b>	<b>267.21</b>
<b>Balance brought forward</b>	<b>902.90</b>	<b>772.58</b>
Movement in Other Comprehensive Income & ESOP Cost	(6.11)	(5.90)
<b>Profit available for appropriation</b>	<b>1121.42</b>	<b>1033.89</b>
<b>Appropriations:</b>		
Proposed Dividend	132.29	130.99
Balance carried forward	989.13	902.90

## 2. BUSINESS PERFORMANCE OVERVIEW

Financial year 2023-24 was marked with various structural initiatives which we believe will have a lasting impact on the business of the Company. The year saw significant changes being implemented with focus on strengthening the foundation for brighter future of the organisation.

During FY 2023-24, the Company's revenue stood at ₹ 2,087 Million as against ₹ 2,367 million. The Company posted an EBITDA of ₹ 364 Mn in FY 2023-24 as against ₹ 434 Mn in FY 2022-23, with EBITDA margin at 17.4%.

Few operational highlights

1. Acquisition of Yash Pharma's India & Bhutan business in May 2024. This give Jagsonpal an entry to Dermatology & Paediatric segments which was done through internal accruals reflecting strength of balance sheet.
2. The Company used this year of consolidation to prepare the pipeline of new products across divisions, giving confidence of carrying the business momentum forward.

3. During the year, Company faced challenges such as presence of counterfeit Indocap products, which has largely been flushed out from the marketplace.
4. During the year, the Company identified several products as part of new launches such as Indocap Gel, Lycored Plus, MemUp, Queezy ER.

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

## 3. DIVIDEND

Based on the Company's performance, the Board of Directors in its meeting held on May 20, 2024 has recommended a final dividend of ₹ 5/- per equity share (100%) of face value of ₹ 5/- each for the financial year ended March 31, 2024, subject to the approval of its members in the forthcoming Annual General Meeting (AGM) of Company. Dividend Payout has been determined in accordance with Dividend Distribution Policy formulated in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') which is available on the Company's website and can be accessed at [www.jagsonpal.com](http://www.jagsonpal.com) in the section of Investor Relation.



#### 4. TRANSFER TO RESERVE

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

#### 5. SHARE CAPITAL

As on March 31, 2024, the Authorised Share Capital of the Company is ₹ 25,00,00,000/- divided into 3,00,00,000 equity shares of ₹ 5/- each with voting rights and 2,00,00,000 equity shares of ₹ 5/- each with differential voting rights.

The issued, subscribed and paid-up equity capital of the Company as on March 31, 2024, was ₹ 13,21,88,970/- divided into 2,64,37,794 equity shares of ₹ 5/- each.

During the year under review, Company has issued and allotted 2,39,794 equity shares of ₹ 5/- each to its employees as ESOP in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

#### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no changes to the composition of the Board of directors. As on March 31, 2024, the Board comprises of 6 (Six) Directors out of which 1 (one) Director is Executive, 2 (Two) Directors are Non-Executive Non-Independent and 3 (Three) Directors are Non-Executive Independent which include 2 (Two) Women Independent Directors. All Directors are competent and experienced personalities in their respective fields. The Chairman of the Board is Mr. Harsha Raghavan, Non-Executive Non-Independent Director of the Company.

In adherence to the provision of section 152 or other applicable provisions stipulated in the Companies Act, 2013, and the Company's Articles of Association, Mr. Harsha Raghavan (DIN: 01761512), a Non-Executive Director, is liable to retire by rotation at the forthcoming Annual General Meeting (AGM). The Board of Directors has recommended his reappointment.

##### CHANGE IN KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. S V Subha Rao, Chief Financial Officer (CFO) retired from the service on February 2, 2024. The Board placed on record its appreciation for the exemplary services of Mr. S V Subha Rao during his stint of over 30 years with Jagsonpal.

The Board of Directors on the recommendation of the Audit Committee and Nomination & Remuneration Committee appointed Mr. Ashish Lakhota as the Chief Financial Officer (CFO) w.e.f February 03, 2024. Mr. Lakhota has more than 24 Years of experience in various Corporates. He is a Member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost Accountants of India.

#### 7. AUDITORS AND AUDITOR'S REPORT

##### STATUTORY AUDITORS:

During the year under review, M/s. Walker Chandio & Co LLP, Chartered Accountants was appointed as Statutory Auditors of the Company in the 43<sup>rd</sup> Annual General Meeting held on September 14, 2022 for a period of 5 years till conclusion of the 48<sup>th</sup> Annual General Meeting for the financial year 2026-27.

The Independent Auditors' Report on Financial Statements for the year ended March 31, 2024 forms part of this Report.

##### SECRETARIAL AUDITORS:

Pursuant to provisions of Section 204 of the Act and rules made there under, the Board has appointed M/s Mukesh Arora & Co., Practicing Company Secretaries (Certificate of Practice No: 4405) as the Secretarial Auditors to conduct Secretarial Audit of the Company for the year ended March 31, 2024.

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

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

##### COST AUDITORS:

In terms of the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s Kirit Mehta & Co. as Cost Auditor of the Company for the financial year 2023-24. The remuneration of the cost auditor was approved by the members in the 44<sup>th</sup> Annual General Meeting. The Cost Audit Report for the financial year ended March 31, 2024, would be filed within the due date prescribed by law.

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

##### INTERNAL AUDITORS:

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

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

#### 8. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate framework for Internal Financial Controls as required under Section 134 of the Companies Act, 2013. During the year under review, such controls were tested and there were no material weaknesses in their design or operations.

## 9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AND EXPENDITURE AND RESEARCH & DEVELOPMENT

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

## 10. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

## 11. ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the draft Annual Return as on March 31, 2024 on its website at www.jagsonpal.com.

## 12. CORPORATE SOCIAL RESPONSIBILITY

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

The detailed Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as an 'Annexure 4' forming part of this report.

## 13. BOARD EVALUATION

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

Independent Directors). The Independent Directors carried out annual performance evaluation of the Chairperson of the Board, the Non-independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties. The Nomination and Remuneration Policy can be accessed at <https://www.jagsonpal.com/policies/>

## 14. MEETINGS OF THE BOARD

During the year under review, 4 (Four) Board Meetings were held on May 23, 2023, August 02, 2023, November 03, 2023, and February 02, 2024. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report forming part of this Annual Report.

## 15. MEETINGS OF INDEPENDENT DIRECTORS:

During the year under review, a meeting of Independent Directors was held on March 06, 2024. This meeting was conducted without the presence of other Non-Independent Directors and members of management. During the meeting, the Independent Directors evaluated the performance of the Non-Independent Directors, the Chairman, and the Board as a whole. They also assessed the quality, quantity, and timeliness of the information flow between the Company's management and the Board of Directors.

## 16. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER THE ACT

Pursuant to Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the company have submitted their disclosure to the board that they have complied with all the requirements as stipulated in the abovementioned provisions.

All the Independent Directors have confirmed that they have registered with the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Act.

In the opinion of the Board, Independent Directors of the Company possess necessary expertise, integrity and experience in their respective fields.

## 17. COMMITTEES OF THE BOARD

The Board of Directors have the following Committees:

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

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



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

## **18. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company has adopted a Nomination and Remuneration Policy on Directors' Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under Section 178(3) of the Companies Act, 2013 and the same can be accessed at [www.jagsonpal.com](http://www.jagsonpal.com).

## **19. WHISTLE BLOWER POLICY/VIGIL MECHANISM**

Pursuant to provisions of the Section 177(9) of the Act and the Listing Regulations, the Company has established a vigil mechanism/ Whistle Blower Policy and overseas through the committee, the genuine concerns expressed by the Employees, Directors and other Stakeholders.

The company's robust Vigil Mechanism policy encourages employees and other stakeholders to report genuine concerns without fear of victimization. This includes reporting any instances of fraud, non-compliance with laws, rules, and regulations. Our company strongly promotes a zero-tolerance approach to fraud and misconduct.

The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company. The Whistle Blower policy as approved by the Board has been uploaded on the website of the Company and the same can be accessed at [www.jagsonpal.com](http://www.jagsonpal.com).

## **20. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company is dedicated to fostering a healthy and inclusive workplace environment, and therefore maintains a zero-tolerance policy towards any form of discrimination or harassment. In alignment with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, the Company has implemented a comprehensive Prevention of Sexual Harassment (POSH) Policy. As well as training and awareness program is also conducted by the company for the effective implementation of Prevention of Sexual Harassment (POSH) Policy. To ensure effective oversight and redressal, an Internal Complaints Committee (ICC) has been established, chaired by a female employee. No complaints were received during the financial year 2023-2024.

## **21. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE**

As on March 31, 2024 the Company does not have any subsidiary/joint venture/associate companies within the meaning of Act.

## **22. PARTICULARS OF LOAN, GUARANTEE OR INVESTMENTS**

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

## **23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

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

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

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

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

## **24. CORPORATE GOVERNANCE**

As per Regulation 34(3) read with Schedule V of the Listing Regulations, your Company has complied with the requirements of Corporate Governance. The report on Corporate Governance along with a certificate issued by M/s. Ayush Khandelwal & Associates, Practicing Company Secretaries confirming compliance of Corporate Governance for the year ended March 31, 2024 is provided separately and forms part of this Report.

## **25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34 of the Listing Regulations, Management Discussion and Analysis containing Information inter-alia on industry trends, your Company's performance, future outlook, opportunities and threats, discussion on financial performance w.r.t., operational performance for the year ended March 31, 2024, is provided separately and forms part of this Report.

## 26. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report of the Company for the Financial Year 2023-24 forms a part of this Report as required under Regulation 34(2)(f) of the Listing Regulations.

## 27. DIRECTORS RESPONSIBILITY STATEMENT

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

- a In the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b Such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for the year ended on that date;
- c 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;
- d The annual financial statements for the year ended March 31, 2024 are prepared on a going concern basis;
- e The internal financial controls to be followed by the Company and that such systems are adequate and are operating effectively; and
- f The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 28. RISK MANAGEMENT

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

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

## 29. EMPLOYEE STOCK OPTION SCHEME

The Company has in place 'Jagsonpal Pharmaceuticals Limited ESOP 2022'.

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

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

## 30. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting Audit Transfer and Refund) Rules, 2016 ('the Rules') all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of seven years. Further, according to the rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Further the corresponding shares will be transferred as per the requirement of the IEPF rules.

Along with the compliance of applicable provisions, the Company advises the Shareholders by way of reminders to encash their dividend or the shares deposited with the IEPF Authority. Shareholders can drop the mail at cs@jagsonpal.com for knowing the process to encash their dividend or shares deposited with the IEPF Authority.

## 31. CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

## 32. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of your Company between the end of the financial year 2023-24 and the date of this report.

## 33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 and there was no



instance of onetime settlement with any Bank or Financial Institution.

### 34. OTHER DISCLOSURES

During the year under review:

- No frauds were reported by the Auditors as specified under Section 143 of the Companies Act, 2013.
- The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 and no proceedings are pending under the Insolvency and Bankruptcy Code, 2016 during the year.
- The Company has followed the applicable Secretarial Standards i.e., SS-1 and SS-2 issued by the Institute of Company Secretaries of India, relating to 'Meetings of Board of Directors' and 'General Meetings' respectively.

- The Company has not accepted or renewed any public deposits in terms of Sections 73 and 74 of the Act read with rules framed thereunder.
- During the year, there was no one-time settlement done with the Banks or Financial Institutions.

### ACKNOWLEDGEMENT

The Directors place on record their sincere appreciation to all the Stakeholders including Shareholders, Customers, Suppliers for their continued support. The Directors also place on record their gratitude to all employees of the organization for their active co-operation and involvement.

**For and on behalf of the Board of Directors**

**Date: August 07, 2024**

**Place: Gurugram**

**Harsha Raghavan**

**Chairman**

**(DIN: 01761512)**



## Annexure- 1

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

### (A) Conservation of Energy

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

Disclosure of particulars with respect to Conservation of Energy:

#### Power and Fuel Consumption

Particulars	2023-24	2022-23
Consumption	9,41,134 Kwh	2,31,392 Kwh

Since Jagsonpal does not operates any manufacturing unit, we have provided the details of energy consumption at our Registered Office, Corporate Office and warehouse.

### (B) Technology Absorption

Disclosure of particulars with respect to Technology Absorption:

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

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

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

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

### (C) Expenditure on R & D

Particulars	FY 2023-24	FY 2022-23
Capital Expenditure	0	0
Revenue Expenditure	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

(₹ In Million)

### (D) Foreign Exchange Earnings & Outgo

Particulars	FY 2023-24	FY 2022-23
Foreign Currency earned	46.6	55.3
Foreign Currency used	34.2	35.9

(₹ In Million)

For and on behalf of the Board of Directors

**Harsha Raghavan**

DIN: 01761512

Date: August 07, 2024

Place: Gurugram



## Annexure 2

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

A.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ending March 31, 2024:	As on date of this Report, the Board comprises of 6 (Six) Directors consisting of 1 (one) Executive Director, 2 (Two) Non-Executive Directors and 3 (Three) Independent Directors.	
		<b>Name of the Director</b>	<b>Ratio</b>
		Mr. Manish Gupta, Managing Director	29.7
		The median remuneration for the period under review is approximately 3,36,672/-	
B.	The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the financial year ended March 31, 2024:	<b>Particulars</b>	<b>% Increase</b>
		Mr. Manish Gupta, Managing Director	-
		Mr. S.V. Subha Rao (Ceased to be a Chief Financial Officer with effect from February 02, 2024)	5.2%
		Mr. Abhishek Joshi, Company Secretary	-
C.	The percentage increase in the median remuneration of employees in the financial year ending March 31, 2024.	5.2%	
D.	The number of permanent employees on the rolls of the Company as on March 31, 2024.	1025	
E.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	7.6% was the average percentile increase in the salaries of employees other than the managerial personnel in the last financial year. Salaries of 67% employees, other than the managerial personnel, got increased in the last financial year.  Percentile increase in the managerial remuneration was 1.8%. Salaries of 33% managerial personnel got increased in the last financial year.	

## Annexure 3

### Form MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

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

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

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jagsonpal Pharmaceuticals Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing opinion thereon.
2. Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized 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 31<sup>st</sup> March, 2024 ('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 :
  3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the company as there were no transactions relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the financial year under review);
    - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: —
      - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
      - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
      - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (not applicable as the company did not issue any security during the financial year under review.)
      - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
      - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable as the company has not issued any debt securities during the financial year under review);
      - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (not applicable as the company has not delisted its securities during the financial year under review)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable as the company has not bought back any of its securities during the financial year under review);
- (i) and other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972;
4. We have also examined compliance with the applicable clauses / regulations of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards-1(Meeting of the Board of Directors) & Secretarial Standards-2 (General Meetings)
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange (BSE) & (NSE).
- (iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
5. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned herein above. (The company has allotted 239,794 equity shares of face value of ₹ 5/- each of the Company, against exercise of stock options at ₹ 235/- per share (including premium of ₹ 230/- per share pursuant to ESOP scheme.)
6. We further report that:
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and woman director. No changes were taken in the composition of the Board of Directors during the period under review.
- (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) All decision at Board Meeting and Committee are carried through while the dissenting members' views are captured and recorded as part of the minutes.
7. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**Mukesh Arora  
Proprietor  
FCS No. 4819  
CP No. 4405**

**Place: New Delhi  
Date: 18-05-2024**

**UDIN NO: F004819F000399257**

**(This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.)**

**ANNEXURE-A TO SECRETARIAL AUDIT REPORT**

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

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

1. Maintenance of Secretarial Records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the Verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Mukesh Arora**  
**Proprietor**  
**FCS No. 4819**  
**CP No. 4405**

**UDIN NO: F004819F000399257**

**Place: New Delhi**  
**Date: 18-05-2024**



## Annexure - 4

# ANNUAL REPORT ON CSR ACTIVITIES

### 1. A brief outline on CSR Policy of the Company

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

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

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

(a) Health & Sanitation

### 2. Composition of CSR Committee

The Composition of the Committee as on March 31, 2024 are as follows: -

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

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

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

CSR Policy and Projects – <https://www.jagsonpal.com/csr/>

### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: -

Not Applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: -

Nil

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

₹ 277.74 Mn

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

₹ 5.6 Mn

### (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): -

₹ 5.6 Mn

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

Total Amount Spent for the Financial Year (₹ in Mn)	Amount Unspent (₹ in Mn)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹ in Mn)	Date of transfer	Name of the Fund	Amount	Date of transfer
5.04	0.56	April 26, 2024	Nil	Nil	Nil

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

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ In Mn)	Amount spent in the current financial Year (₹ In)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ In Mn)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District						Name of Agency & CSR Registration no.
1.	Environmental Cleanliness – Construction of Girls toilet at Rudrapur	(i)	No	Uttarakhand	Fazilpur Mahraola Rudrapur	3 years	1.91	1.72	0.19	No	Sulabh International Social Service Organization & CSRO0000185
2.	Environmental Cleanliness – Construction of Girls toilet at Rudrapur	(i)	No	Uttarakhand	Udham Singh Nagar Rudrapur	3 years	1.91	1.72	0.19		
3.	Environmental Cleanliness – Construction of toilet at Punjab	(i)	No	Punjab	Shaheed Bhagat Singh Nagar, Naawan Shahar	3 years	0.63	0.43	0.20		
4.	Environmental Cleanliness – Construction of toilet at Punjab	(i)	No	Punjab	Roop Nagar	3 years	0.63	0.43	0.20		
<b>Total</b>							<b>5.08</b>	<b>4.3</b>	<b>0.78</b>		

During the year, Company had Set off Maintenance Cost related to FY 22-23 for amount of ₹0.35 Mn

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

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District			Name CSR Registration number
Donation of Medicine during the year 23-24 was distributed to GHK Polyclinic, Gurudwara Bangla Sahib for a amount of ₹ 0.39 Mn								

**(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): - ₹ 5.04 Mn**

**(g) Excess amount for set off, if any: - NIL**

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in Mn)	Amount spent in the reporting Financial Year (In Mn)	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 Mn)
				Name of the Fund	Amount (₹ in Mn)	Date of transfer	
1.	2022-23	2.17	1.73	-	-	-	-
2.	2021-22	-	1.14	PM Care Fund	1.54	-	-
3.	2020-21	-	0.23	-	-	-	-

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

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

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)****(a) Date of creation or acquisition of the capital asset(s):-** None**(b) Amount of CSR spent for creation or acquisition of capital asset:-** NIL**(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:-** Nil**(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):-** Not Applicable

**Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):-** The Company was in obligation to spend approx. ₹ 5.6 Mn towards CSR expenditure for financial year 2023-24 out of which ₹ 5.043 Mn was spent and balance was transferred to unspent ongoing projects as detailed in the report.

For and on behalf of the Board

Place: Gurugram  
Date: May 20, 2024

**Manish Gupta**  
Managing Director  
DIN: 06805265

**Radhika M Dudhat**  
Chairperson of CSR Committee  
DIN: 00016712



## Annexure- 5

### Disclosure under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") of forming part of the Directors' Report for the year ended March 31, 2024

#### A. Details related to Employee Stock Option Scheme

The Company has in place an Employee Stock Option Scheme titled " Jagsonpal Pharmaceuticals Limited Employees Stock Option Plan 2022 ("JPL ESOP 2022")" under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted should not exceed 26,19,800 (Twenty-Six Lakhs Nineteen Thousand Eight Hundred Only) Equity Shares options exercisable into equivalent number of Equity Shares of ₹ 5/- each fully paid up of the Company.

The Scheme is extended to Permanent employees of the Company, whether working in India or outside India, and / or to the directors of the Company, whether whole-time or not but excluding independent director(s) and to such other persons as may be decided by the Board and / or permitted under SEBI ESOP Regulations (hereinafter referred to as 'Eligible Employees') but does not include an employee who is a promoter or a person belonging to the promoter group and the director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

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

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

Sr. No.	Particulars	ESOP 2022 Scheme
1	Date of shareholders' approval	June 17, 2022
2	Total Number of options approved	26,19,800
3	Vesting Requirements	The Options granted under the Scheme shall vest over a maximum period of up to 5 (five) years from the date of grant, in one or more tranches, subject to the eligible employee achieving criteria. The criteria, which shall be determined by the Nomination and Remuneration Committee ("NRC") including, if so determined by NRC, either tenure based or performance based or a combination of the two, and the vesting period (which may differ basis respective optionee) will be specified in the option letter to be granted to respective optionee. In the event of criteria not being achieved, the NRC will have powers to allow vesting of Options in the manner or on such basis as decided by the NRC including on a pro-rata basis. The NRC shall have discretion in modifying the criteria to ensure alignment with the Company's long-term strategy and goals and the industry practice. There shall be a minimum vesting period of one year from the date of grant of option. In the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable.
4	Exercise price or pricing formula	The Initial Lot of Options will be granted at an Exercise Price of ₹ 235/- (Rupees Two Hundred Thirty-Five Only) per Option.  The Exercise Price for future grants (i.e. other than the Initial Lot of Options) shall be determined by the Nomination and Remuneration Committee at the time of grant and such price per Option shall not be less than the higher of (a) ₹ 235/- (Rupees Two Hundred Thirty Five Only) or (b) up to 20% (twenty per cent) discount to the Market Price.  For the purpose of this clause, Options that will be granted by the NRC on or before December 31, 2022 will be considered 'Initial Lot of Options.



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

#### Option movement during the year.

Particulars	JPL ESOP 2022
Number of options outstanding at the beginning of the period	14,67,920
Number of options granted during the year	3,04,000
Number of options forfeited / lapsed during the Year	55,000
Number of options vested during the year	16,81,809
Number of options exercised during the year	2,39,794
Number of shares arising as a result of exercise of options	3,04,000
Money realized by exercise of options (INR), if scheme is implemented directly by the company	5,63,51,590
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	14,77,126
Number of options exercisable at the end of the year	1,27,186
Weighted average fair values of options	345.8

#### Employee-wise details of options granted during the year:

Any employees who were granted more than 5% of the stock options granted for the financial 2023-24: Nil

# Corporate Governance Report

## Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance is to continuously strive to adopt and implement best-in-class governance practices. The Company is deeply embedded in the pursuit of excellence through ethical stewardship and responsible business practices. It also firmly believes that, for its continued success, the organization must consistently adhere to the highest standards of corporate behavior towards every stakeholder and the society at large.

The Company affirms adherence to the corporate governance practices outlined in the Securities and Exchange Board of India's (Listing Obligations and Disclosure Requirements) 2015, hereinafter referred to as the 'Listing Regulations' details whereof for the financial year ended March 31, 2024, are as set out hereunder:

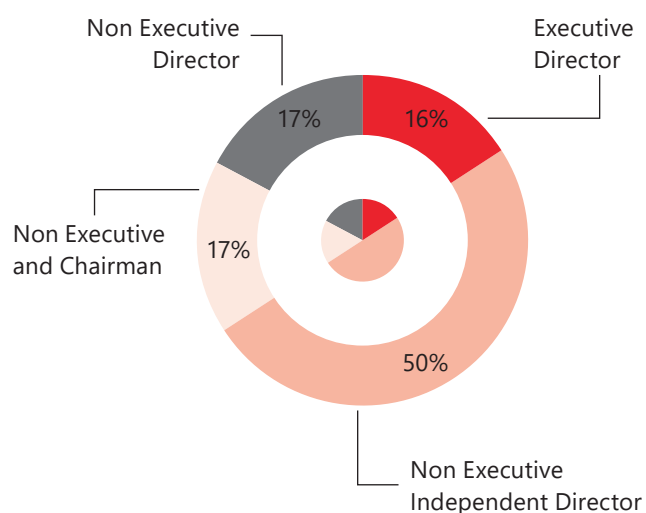
### 1. Board of Directors

The Board of Directors comprises of individuals with extensive expertise, integrity and experience in their respective fields and has an optimum combination of Executive and Non-Executive Directors in compliance with the requirements of Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 (the 'Act'). The profile of Board of Directors of the Jagsonpal can be accessed at <https://www.jagsonpal.com/board-of-directors/>

As on March 31, 2024, the Board Comprises of 6 (Six) Directors out of which 1 (one) Director is Executive, 2

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

During the year, there was no change in the Board.



Composition of Board of Directors as at March 31, 2024, attendance at Board Meetings held during the financial year 2023-24 and the Annual General Meeting held on August 31, 2023

Name of the Director (DIN)	Category	Number of Board Meetings held during FY 2023-24	Number of Board Meetings attended during FY 2023-24	Whether attended last AGM held on August 31, 2023	Number of Directorships in other Public Companies	Number of Committee positions held in Public Companies	Directorship in other listed entity (Category of Directorship)
Mr. Harsha Raghavan (DIN: 01761512)	Non-Executive and Chairman	4	4	Yes	2	2	Camlin Fine Sciences Limited- (NENID) Onward Technologies Limited- (NENID)
Mr. Manish Gupta (DIN: 06805265)	Managing Director	4	4	Yes	Nil	1	Nil
Mr. Debasis Bikash Nandy (DIN: 06368365)	Non- Executive Independent Director	4	4	Yes	4	2	Nil
Ms. Radhika Madhukar Dudhat (DIN: 00016712)	Non- Executive Independent Director	4	4	Yes	4	2	Jain Irrigation System Limited - (NEID) Parag Milk Foods Limited- (NEID) Tips Films Limited- (NEID) Bajel Projects Limited- (NEID)



Name of the Director (DIN)	Category	Number of Board Meetings held during FY 2023-24	Number of Board Meetings attended during FY 2023-24	Whether attended last AGM held on August 31, 2023	Number of Directorships in other Public Companies	Number of Committee positions held in Public Companies	Directorship in other listed entity (Category of Directorship)
Ms. Pallavi Dinodia Gupta (DIN: 06566637)	Non- Executive Independent Director	4	4	Yes	3	5	Voith Paper Fabrics India Limited- (NEID)  India Mart Intermesh Limited- (NEID)
Mr. Prithipal Singh Kochhar (DIN: 01052194)	Non-Executive Director	4	4	Yes	Nil	Nil	Nil

Abbreviations:

NENID = Non-Executive Non-Independent Director

NEID = Non-Executive Independent Director

#### Notes:

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

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

#### Separate Meeting of Independent Directors

In terms of provisions of the Act and Regulation 25 of the Listing Regulations, the Independent Directors met on March 06, 2024 without the presence of Non-Independent Directors and the member of management, inter alia:

- reviewed the performance of Non-Independent Directors and the Board as a whole.
- reviewed the performance of the Chairperson of the Company, considering the views of Executive directors and Non-Executive Directors.
- assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## 2. Familiarisation programme for Independent Directors

The Board of Directors, including Independent Directors, are equipped with essential documents, brochures, reports, and internal policies to help them become acquainted with the Company's procedures and practices.

During each Board Meeting, periodic performance is reviewed through presentations that cover the roles, responsibilities, duties, and obligations of Board members. Additionally, these presentations provide updates on the industry in which the Company operates, as well as an overview of the Company's business model. The familiarization program offers valuable insights into the future direction of the Company's businesses, benefiting both Independent Directors and other Non-Executive Directors on the Board.

The Management also presents key regulatory updates / industry developments to the Board Members on a regular basis at the Board Meeting. The Statutory Auditors also present key updates as part of their presentation to the Audit Committee and also conduct special sessions as and when required for any specific topic.

The details on familiarisation program pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations are disclosed on the website of the Company at <https://www.jagsonpal.com/policies/>

#### Skills/ Expertise/ Competencies of the Board of Directors

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

## Relating to Industry knowledge experience

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

During the year under review, all Independent Directors of the Company met the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 (the "Act") and Rules framed thereunder and Regulation 16(1) of the Listing Regulations and have furnished declaration of independence pursuant to Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations. The said declaration of independence was reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfil the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

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

### 3. Board Meetings held during the year.

During the year ended March 31, 2024, 4 (Four) Board Meetings were held. These Meetings were held on May 23, 2023, August 2, 2023, November 3, 2023, February 2, 2024.

### 4. Inter-se relationship among Directors

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

### 5. Audit Committee

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

#### Terms of Reference

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

The Audit Committee has the following responsibilities/ powers:

1. To investigate any activity within its terms of reference.

2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it is considered necessary.

#### Role of Audit Committee

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with reference to,
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Act.
  - 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 judgment 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. Modified opinions in the draft audit report.
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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
  8. Approval or any subsequent modification of transactions of the company with related parties.
  9. Scrutiny of inter-corporate loans and investments.
  10. Valuation of undertakings or assets of the company, wherever it is necessary.
  11. Evaluation of internal financial controls and risk management systems.
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  14. Discussion with internal auditors of any significant findings and follow up thereon.
  15. 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.
  16. 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.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  18. To review the functioning of the Whistle Blower mechanism.
  19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
  20. To review the financials of unlisted subsidiaries, in particular the investment made by unlisted subsidiaries.
  21. Reviewing the statement of deviations:
    - a. Quarterly statement of deviations including report of monitoring agency, if applicable, submitted to stock exchange in terms of the Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
    - b. Annual Statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  22. To review the utilisation of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
  23. To review management discussion and analysis of financial condition and results of operations.
  24. To review management letters / letters of internal control weaknesses issued by the statutory auditors.
  25. To review internal audit reports relating to internal control weaknesses.
  26. Appointment, removal and terms of remuneration of the chief internal auditor.
  27. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
  28. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Composition of Audit Committee, Meetings held and attendance during the year.**
- As on March 31, 2024, the Audit Committee has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director
- The Members of the Audit Committee as on March 31, 2024, are:
1. Mr. Debasis Bikash Nandy-Chairman
  2. Ms. Pallavi Dinodia Gupta-Member
  3. Mr. Harsha Raghavan-Member
- There were no changes to the composition of Audit Committee during the year.

During the year ended March 31, 2024, (4) Four Audit Committee Meetings were held on May 23, 2023, August 02, 2023, November 03, 2023 and February 02, 2024. The gap between the two meetings does not exceed 120 days in any meeting. The Company Secretary of the Company also acts as the secretary to this Committee.

All the meetings were attended by all the Audit Committee members during the period of FY 2023-24.

## 5. Nomination and Remuneration Committee

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

The Nominations and Remuneration Committee is responsible for evaluating the balance of skills, knowledge, experience and diversity of the Board, and periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors and preparing a description of the role and capabilities required for a particular appointment.

### Terms of reference

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

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Directors and the Board.
- c. Devising a policy on Board diversity.
- d. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- e. Discussing and deciding on whether to extend or continue the term of appointment of the Independent Director based on the report of performance evaluation of Independent Directors.
- f. To recommend to the board, all remuneration, in whatever form, payable to senior management.
- g. NRC shall evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, NRC may:

- i. use the services of an external agencies, if required

- ii. consider candidates from a wide range of backgrounds, having due regard to diversity and
- iii. consider the time commitments of the candidates.

### Composition of Nomination and Remuneration Committee (NRC)

As on March 31, 2024, the NRC Committee has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director.

The Members of the Nomination Committee as on March 31, 2024, are:

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

There were no changes to the composition of Nomination and Remuneration Committee during the year.

During the year ended March 31, 2024, 2 (Two) NRC Meetings were held on May 23, 2023 and February 02, 2024. The Company Secretary of the Company acts as the secretary to this Committee.

All the meetings were attended by all the Committee members during the period of FY 2023-24.

### Remuneration Policy

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

### Performance evaluation criteria for independent Directors/Directors

In terms of Schedule IV of the Act and rules made thereunder and provisions of Listing Regulations, The Company has established a robust framework for the performance evaluation of its independent directors. This evaluation process is guided by the Nomination and Remuneration Policy, which outlines specific criteria for assessing the effectiveness and contributions of independent directors on an annual basis. The criteria include evaluating their independence, adherence to ethical standards, and active participation in Board meetings.

The performance evaluation also considers the quality of their insights, the extent of their engagement with the company's management, and their overall contributions to the Board's deliberations and decisions.

A comprehensive questionnaire, aligned with these criteria, is used to systematically review the performance of independent directors, ensuring they fulfill their

roles with the diligence and independence required to contribute effectively to the company's governance.

#### **Stakeholders' Relationship Committee**

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

#### **Terms of Reference:**

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. To review measures taken for effective exercise of voting rights by the shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

#### **Composition of the Committee**

As on date, the SRC has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Executive Director of the Company.

The Members of the Committee as on March 31, 2024, are as under:

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

During the year, there were no changes to the composition of the Stakeholders Relationship Committee.

During the year ended March 31, 2024, 1 (One) Meeting was held on March 06, 2024 and all the Committee Members attended the said meeting. The Company Secretary of the Company acts as Secretary to the Committee.

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

The delegated authority will attend for the matter of Share Transfer formalities on a regular basis.

**Shareholders Complaint details:** 4 (Four) complaints were received from Shareholders of the Company during the year ended March 31, 2024 which were all resolved. There were no complaints pending as on March 31, 2024.

#### **Name and designation of compliance officer:**

Mr. Abhishek Joshi is Company Secretary and Compliance Officer of the Company. The designated email address for shareholders complaints is cs@jagsonpal.com

#### **Corporate Social Responsibility Committee (CSR)**

The Corporate Social Responsibility Committee has been constituted in accordance with the provision of section 135 of the Act and as on date, the CSR committee.

#### **Terms of Reference:**

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

#### **Composition of the Committee**

As on date, the Committee has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Executive Director of the Company. The following are the Members of the Committee as on March 31, 2024:

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

There were no changes to the composition of CSR Committee during the year.

During the year ended March 31, 2024, 1 (One) CSR Committee Meeting was held on May 23, 2023. All the Committee Members attended the said meeting.

A Report on CSR Activities carried out by the Company during FY 2023-24 is provided as an **Annexure 4** to the Board's Report.

#### **Risk Management Committee (RMC)**

The Risk Management Committee has been constituted in accordance with the provision of Regulation 21 of the Listing Regulations.

#### **Terms of Reference**

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



- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (7) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it is considered necessary.
- (8) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with the activities of such committees, as per the framework laid down by the board of directors.

#### Composition of the Committee

As on date, the RMC has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Non - Executive Director of the Company. The following are the Members of the Committee as on March 31, 2024:

2. Mr. Debasis Bikash Nandy -Chairman
3. Ms. Radhika Madhukar Dudhat -Member
4. Mr. Harsha Raghavan -Member

There were no changes to the composition of Risk Management Committee during the year.

During the year ended March 31, 2024, 2 (Two) Risk Management Committee Meetings were held on September 13, 2023 and March 06, 2024. All the Committee members attended both the meetings held during the year.

#### Senior Management Personnel

Particulars of Senior Management including the changes therein during the Financial Year 2023-24:

Sr. No.	Name	Designation	Changes, if any
1.	Manish Gupta	Managing Director	-
2.	S V Subha Rao	Chief Financial Officer	Retirement w.e.f. February 02, 2024
3.	Ashish Lakhotia	Chief Financial officer	Appointed w.e.f. February 03, 2024
4.	Abhishek Joshi	Compliance officer	-
5.	Sudeep Paul	Vice President - Sales & Marketing	-
6.	Sachin Hans	General Manager - Supply Chain Management	-
7.	Bharat Chugh	General Manager – Human Resource Admin	-

#### Remuneration paid to Directors

Name of the Director	(₹ In Million)			
	Salary	Sitting Fees	Commission	Total
Mr. Manish Gupta	26.7*	-	-	26.7
Mr. Harsha Raghavan	-	-	-	-
Ms. Pallavi Dinodia Gupta	-	0.5	0.5	1.0
Ms. Radhika Madhukar Dudhat	-	0.4	0.5	0.9
Mr. Debasis B Nandy	-	0.6	0.5	1.1
Mr. Prithipal Singh Kochhar	-	-	-	-

\*including perquisites arising from grant and exercise of ESOPs.

During the FY 2023-24, Mr. Manish Gupta has been allotted/transferred 1,78,594 equity shares under ESOP.

#### Details of fixed component and performance linked incentives, along with the performance criteria:

During the financial year 2023-24, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company apart from receiving sitting fees for attending the Meetings of Board and Committee of the Company, as stated above.

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



### General Meetings

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

Financial Year	Date and Time	Venue	Special Resolutions
2020-21	September 30, 2021 at 11:00 A.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	<ul style="list-style-type: none"> <li>No Special resolution was passed.</li> </ul>
2021-22	September 14, 2022 at 03:30 P.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	<ul style="list-style-type: none"> <li>Appointment of Mr. Debasis Bikash Nandy as an Independent Director</li> <li>Appointment of Ms. Radhika Madhukar Dudhat as an Independent Director</li> <li>Appointment of Ms. Pallavi Dinodia Gupta as an Independent Director</li> <li>Appointment of Mr. Manish Gupta as Managing Director</li> <li>Grant of options of more than 1% of the issued capital to Mr. Manish Gupta, Managing Director Amendment to Articles of Association of the Company.</li> </ul>
2022-23	August 31, 2023 at 03:30 P.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	<ul style="list-style-type: none"> <li>No Special resolution was passed.</li> </ul>

- (b) Special Resolution passed last year through postal ballot – details of voting pattern and procedure:  
No Special Resolution was passed through postal ballot during the last year
- (c) Person who conducted the postal ballot exercise:  
Not applicable
- (d) Special Resolution proposed to be conducted through postal ballot:  
No resolution requiring postal ballot has been placed before shareholders for their approval in this Annual General Meeting.
- (e) Details of the Extra Ordinary General Meetings of the Company held in last 3 years and Special Resolutions passed in that Meeting are as below:

Financial Year	Date and Time	Venue	Special Resolutions
2020-21	June 17, 2022 and 11:00 A.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	<ul style="list-style-type: none"> <li>To approve the amendment of the Article of Association of the Company</li> <li>To approve Employee Stock Option Scheme</li> <li>To grant Employee Stock Option to employee of Subsidiaries of the Company</li> </ul>

### Means of Communication:

- a) The quarterly results are forthwith communicated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") as soon as they are approved and taken on record.
- b) The results are published generally in Business Standard (English) and Business Standard (Hindi) newspapers.
- c) The results and shareholding pattern of the Company are displayed on the website of the Company i.e., [www.jagsonpal.com](http://www.jagsonpal.com)
- d) The official news releases are intimated to Stock Exchanges (BSE & NSE) and also displayed on the website of the Company i.e., [www.jagsonpal.com](http://www.jagsonpal.com)

**Details of Shareholding of Non-Executive Directors:**

Mr. Prithipal Singh Kochhar Non-Executive Directors of the Company holds 1,03,074 (0.39%) equity shares in our Company. He also holds 9% in Aresko Progressive Private Limited, a promoter group entity.

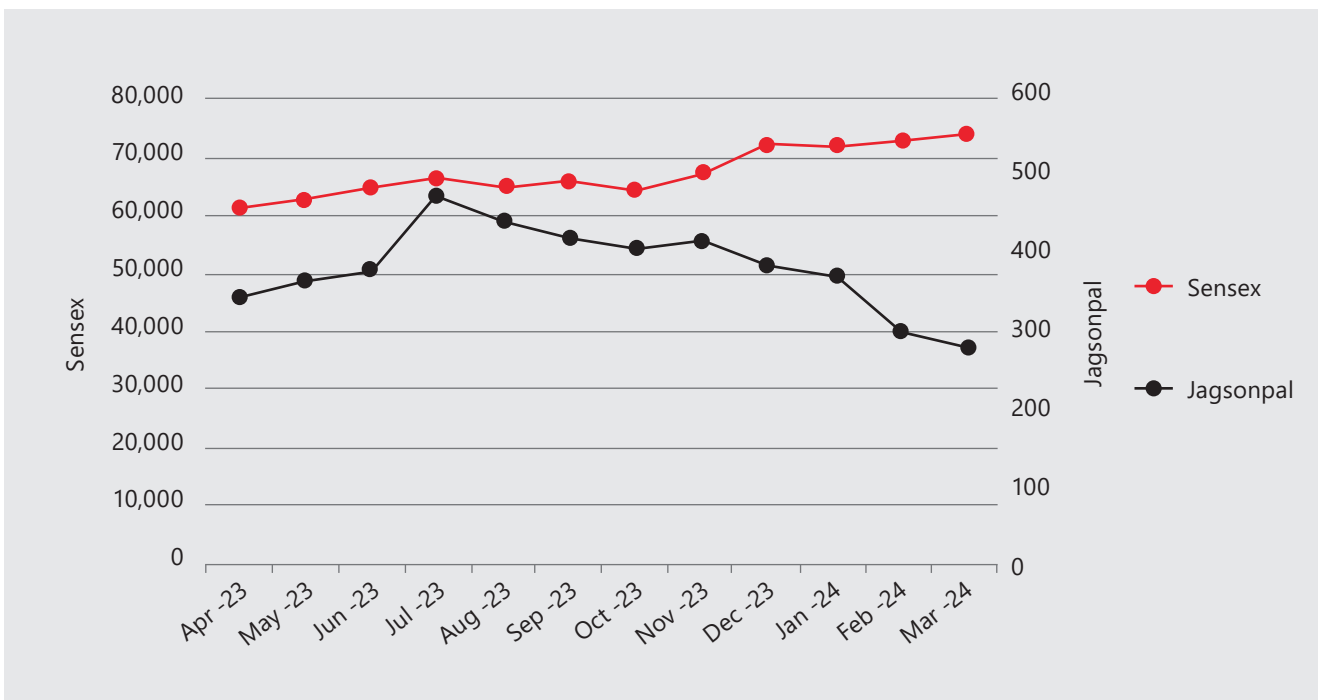
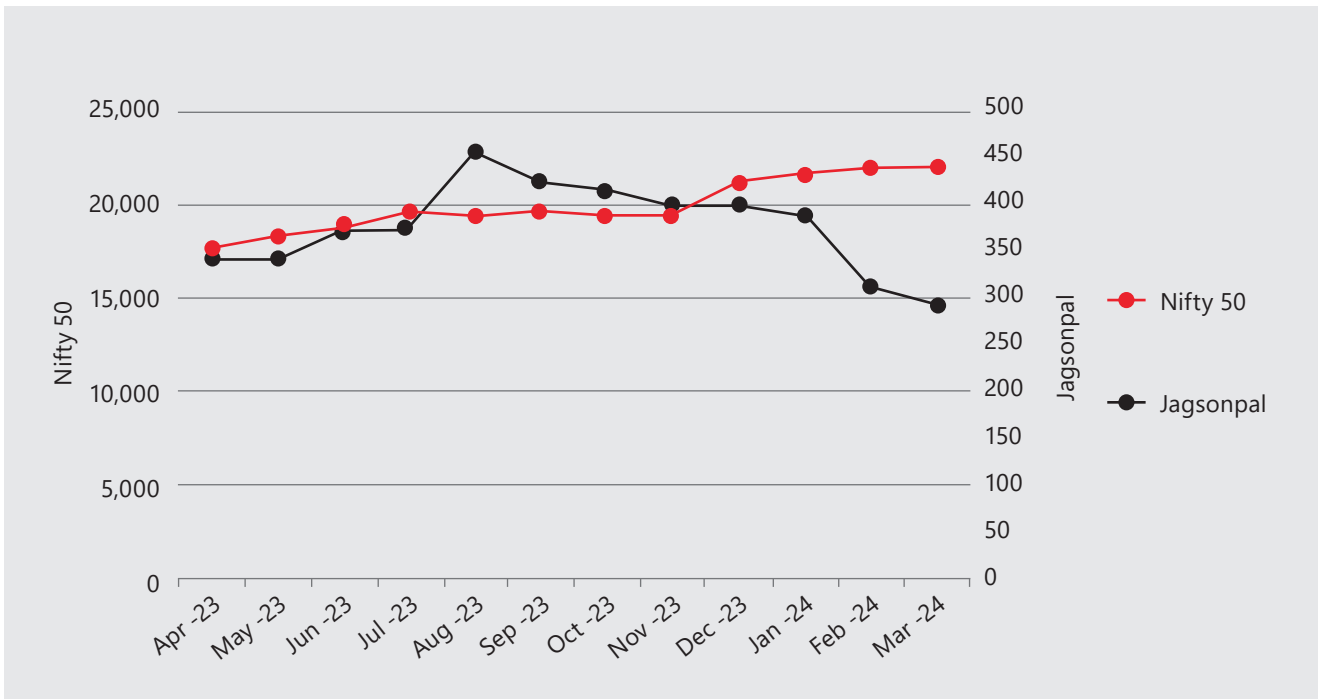
**General shareholder information**

AGM: Date, Time and Venue	September 18, 2024, at 3:30pm (IST) through Video Conferencing / Other Audio - Visual Means as set out in the Notice convening the Annual General Meeting.
Financial Year	April 1 to March 31
First Quarter Results	On or before second week of August, 2024
Second Quarter Results	On or before second week of November, 2024
Third Quarter Results	On or before second week of February, 2025
Fourth Quarter Results	On or before fourth week of May, 2025
Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Stock Code: 507789 National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Symbol: JAGSNPHARM ISIN: INE048B01027 The Company has paid listing fees for the financial year 2024-25 to the Stock Exchanges
Dividend Payment	The Board of Directors of your Company has recommended a Dividend of ₹ 5 per equity share i.e. @100% for the financial year 2023-24 The dividend shall be paid/ credited within 30 days from the date of approval of the members.  The record date fixed for payment of Dividend is September 06, 2024 to determine eligibility of the shareholders for entitlement of dividend on Equity Shares.
Registrar & Transfer Agents	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase – I New Delhi 110020
Share transfer system	The Shares of the Company are tradable compulsorily in demat mode.
Address for Correspondence	Mr. Abhishek Joshi Company Secretary & Compliance Officer Jagsonpal Pharmaceuticals Limited T-210 J, Shahpur Jat, New Delhi – 110049 Email: cs@jagsonpal.com

**Market Price Data (High, Low during each month in financial year 2023-24)**

Month	NSE		BSE	
	High	Low	High	Low
Apr-23	349.45	335.59	369.95	280.15
May-23	352.74	340.15	375.30	325.00
Jun-23	379.20	368.22	396.40	355.00
Jul-23	382.70	368.13	513.90	350.10
Aug-23	469.19	444.60	499.00	415.80
Sep-23	435.95	417.89	475.00	410.00
Oct-23	423.75	410.02	438.00	380.00
Nov-23	404.26	391.32	428.10	379.60
Dec-23	408.50	396.82	425.00	371.75
Jan-24	395.10	381.63	415.00	361.55
Feb-24	324.85	307.83	387.05	289.40
Mar-24	300.36	288.18	325.90	270.05





#### Bifurcation of shares held in physical and demat as on March 31, 2024

Particulars of Equity Shares	Equity Shares of ₹ 5 each	
	Number	% of Total
NSDL	2,35,98,966	89.26
CDSL	25,37,003	9.60
<b>Sub-Total</b>	<b>2,61,35,969</b>	<b>98.86</b>
Physical	3,01,825	1.14
<b>Total</b>	<b>2,64,37,794</b>	<b>100.00</b>

**Distribution of Shareholding as on March 31, 2024:**

Sr. No.	No. of Shares Held	No. of Shares	% of Equity	No. of Holders	% to No. of Holders
1	Upto 50	1,49,372	0.57	9,218	56.62
2	51 to 100	1,94,826	0.74	2,241	13.76
3	101 to 150	89,025	0.34	680	4.18
4	151 to 250	2,52,889	0.92	1,232	7.57
5	251 to 500	4,80,084	1.82	1,219	7.49
6	501 to 5000	19,53,784	7.42	1,540	9.45
7	Above 5000	2,33,17,814	88.19	152	0.93
<b>Grand total</b>		<b>2,64,37,794</b>	<b>100%</b>	<b>16,282</b>	<b>100%</b>

**Shareholding pattern of Equity Shares as of March 31, 2024**

Category	Number of Shareholders	Number of Shares held	% to total paid up Capital
Promoters & Promoter Group Companies	5	1,80,01,914	68.09
Bodies Corporate	88	9,37,048	3.54
Banks / Mutual Funds/ Financial Institutions (FIs)	3	903	0.00
Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors [FPIs]	4	1,93,394	0.73
Non-Resident Individuals (NRIs)/Foreign Corporate Bodies/ Overseas Corporate Bodies (OCBs)/ Foreign Banks	195	1,44,129	0.55
Resident Individuals	15,717	54,69,381	20.68
Directors (Excluding promoter directors) & their relatives	3	7,84,178	2.97
Alternate Investment Fund	1	2,23,055	0.84
Others			
(HUF/IEPF/ Clearing Members/QIB)	266	6,83,792	2.59
<b>Total</b>	<b>16,282</b>	<b>2,64,37,794</b>	<b>100.00</b>

**Unpaid/ Unclaimed Dividends**

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

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

The Company has appointed Mr. Abhishek Joshi, Company Secretary as the Nodal Officer of the Company under the provisions of IEPF, the details of which are available on the website of the Company [www.jagsonpal.com](http://www.jagsonpal.com).

**a. Transfer of Dividends to IEPF****Details of transferred of Dividends to IEPF is as under:**

FY	Type of Dividend	Dividend Declared on	Amount Transferred to IEPF
2015-16	Final	September 30, 2016	1,26,145.8

**Details of transfer of Dividends to IEPF is as under:**

FY	Type of Dividend	Dividend Declared on	Amount Transferred to IEPF
2016-17	Final	September 30, 2017	1,13,712.1

**Share transfer system**

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

**Prohibition of physical transfer of shares**

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

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

### **Common and simplified norms for investor's service request**

SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May 2024, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (Contact Details, Bank Details, and Specimen Signature), and Nomination details.

As per said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC, and Nomination details. Physical folios wherein the PAN, KYC, and Nomination details were not available on or after 1<sup>st</sup> April 2023 were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said timeline of 1<sup>st</sup> April 2023 for freezing of folios was extended to 31<sup>st</sup> December 2023.

Further, SEBI vide its Circular No. SEBI/HO/ MIRSD/ POD-1/P/CIR/2023/181 dated 17<sup>th</sup> November 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May 2024), has removed the requirement for freezing of folios, however, members are requested to note that dividends and other payments, if any, in respect of such KYC non-compliant folios shall only be made electronically with effect from 1<sup>st</sup> April 2024 upon registering the required details.

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

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she/they may submit the same in the prescribed form. The shareholders holding shares in electronic form who have either not furnished nomination or submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before 30<sup>th</sup> June 2024, failing which their demat accounts shall be frozen for debits.

The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC, and Nomination details. The relevant and necessary form are available on Company's website www.jagsonpal.com.

### **Issue of shares In demat mode**

As an ongoing measure to enhance ease of dealing in securities by investors, SEBI vide its Circular dated January 25, 2022, has mandated listed companies to issue securities in demat form only, while processing service requests such as transfer, transmission, issue of duplicate share certificates, renewal exchange of share certificates, consolidation of folios etc.

In terms of the Circular,

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

### **Change in Registrar and Share Transfer Agent**

No Change during the year under review.

### **Outstanding ADRs/GDRs/warrants/ other convertible instruments:**

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

### **Credit Rating**

[ICRA] BBB (Positive)/[ICRA]A2

### **ESOPs:**

The Company has in place an ESOP Scheme titled Jagsonpal Pharmaceuticals Limited Employees Stock Option Plan 2022 ("JPL ESOP 2022") under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted should not exceed 26,19,800 (Twenty-Six Lakhs Nineteen Thousand Eight Hundred Only) Equity Shares options exercisable into equivalent number of Equity Shares of ₹ 5/- each fully paid up of the Company.

Refer Annexure 5 of Board Report for more details.

**Other Disclosures:**

- i. The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note 37 to the standalone financial statements in the Annual Report.

The Company has in place a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions in the line with the amended Listing Regulations and the same can be accessed at [www.jagsonpal.com](http://www.jagsonpal.com).

- ii. The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and other statutory authorities on matters relating to capital markets during the last 3 years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities relating during the year under review.
- iii. The Company is in compliance with all mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- iv. The Company had appointed M/s. S S Kothari Mehta & Company, Chartered Accountants, as Internal Auditors of the Company for the financial year 2023-24. The reports of Internal Auditors are placed before the Audit Committee on a quarterly basis.
- v. Pursuant to provisions of Section 177(9) of the Act and Listing Regulations, the Company has established the Vigil Mechanism, as part of the Whistle Blower Policy, for the Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct.

It also provides adequate safeguards against the victimisation of employees who avail of this mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Board confirms that no personnel have been denied access to the Audit Committee.

During the year under review, the Company has updated the Whistle Blower policy and the same can be accessed at [www.jagsonpal.com](http://www.jagsonpal.com)

- vi. Your Company also strives to adhere and comply with the discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of the Listing Regulations, to the extent applicable.

- a. The Company has appointed separate persons for the post of Chairman and Managing Director.

- b. The Internal Auditor is appointed by the Audit Committee and makes a presentation of their findings to the Audit Committee.

- vii. The disclosure pertaining to Sexual Harassment of Women at workplace is disclosed in the Board's Report. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on March 31, 2024.

- viii. No disqualification Certificate from Company Secretary in Practice:

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

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

- ix. Recommendations of the committees

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

- x. Succession Plan for Directors

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

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

- xi. Fees paid to Auditors

Total fees paid by the Company to the Statutory Auditor: ₹ 2.4 Millions

Particulars	₹ in Millions
For Statutory Audit	2.2
For Out of Pocket Expense	0.2



- xii. Disclosures in relation to the Sexual Harassment of Women at Workplace

The company has in place a proper policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the women safety and during the year the company has not received any complaints related to the Sexual Harassment of Women at Workplace.

- xiii. 'Loans and advances' in the nature of loans to firms/ companies in which directors are interested by name and amount:

No loan and advances exist in which any directors of the company are interested.

- xiv. Details of material subsidiaries of the listed entity
- During the year under review, the company did not have any subsidiaries.

- xv. There are no shares lying in demat suspense account/unclaimed suspense account.

- xvi. The Company does not undertake any commodity hedging activities

#### **Compliance Certificate from Practicing Company Secretary**

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

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

#### **Discretionary Requirements as Specified in Part E of Schedule II**

- A. The Board:** As the chairperson of the company is a Non-Executive Director.
- B. Shareholder Rights:** The Company discloses its financial on quarterly basis on its website and can be accessed from BSE and NSE website.
- C. Modified opinion(s) in audit report:** No qualification or adverse remark has been received from the auditor of the company.
- D. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** The post of the Chairperson and The Managing director is held by the two different persons in our company.

#### **CEO & CFO Certification**

The Managing Director (MD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The MD and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

#### **Disclosure of certain types of agreements binding Listed Entities**

The company has not entered into such agreements and no such agreement which is required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Annual Secretarial Compliance Report**

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

#### **Code of Conduct**

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

The Code of Conduct is also posted on the website of the Company. All Board Members and Senior Management Personnel have confirmed compliance with the Code for the financial year 2023-24.

#### **Declaration to this effect signed by Mr. Manish Gupta, Managing Director is reproduced below:**

In accordance with Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that; all the Members of the Board and the Senior Management of the Company have affirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management, as applicable to them, in respect of the financial year 2023-24.

Note: The information given herein above is as of March 31, 2024, unless otherwise stated.

**For and on behalf of the Board of Directors**

**Place: Gurugram**  
**Date: August 07, 2024**

**Harsha Raghavan**  
**Chairman**



## Certificate of Non-Disqualification of Directors

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations/ representations furnished to us by the Company & its Director/officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1	Radhika Madhukar Dudhat	00016712	29/06/2022
2	Prithipal Singh Kochhar	01052194	29/06/2022
3	Harsha Raghavan	01761512	29/06/2022
4	Debasis Bikash Nandy	06368365	29/06/2022
5	Pallavi Dinodia Gupta	06566637	29/06/2022
6	Manish Gupta	06805265	16/07/2022

\*the date of appointment is as per the MCA Portal.

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

### FOR AYUSH KHANDELWAL & ASSOCIATES

COMPANY SECRETARIES

FRN: S2017RJ527800

Peer Review Certificate no. 4647/2023

### Ayush Khandelwal

Proprietor

M. No. A41316 | CP No. 19171

UDIN: A041316F000924374

Date:07/08/2024

Place: Jaipur



# Practicing Company Secretary's Certificate Regarding compliance of Conditions of Corporate Governance

To  
The Members,  
Jagsonpal Pharmaceuticals Limited  
CIN: L74899DL1978PLC009181

We have examined the compliance of conditions of Corporate Governance by **Jagsonpal Pharmaceuticals Limited** for the year ended 31 March 2024, as stipulated in 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, as amended (“the Listing Regulations”) (‘Applicable criteria’) for the year ended March 31, 2024 as required by the Company for annual submission to the Stock exchange.

## Management's Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

## Practicing Company Secretary's Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, for the year ended on March 31, 2024.

## Other matters and Restriction on Use

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

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

## FOR AYUSH KHANDELWAL & ASSOCIATES

COMPANY SECRETARIES

FRN: S2017RJ527800

Peer Review Certificate no. 4647/2023

## Ayush Khandelwal

Proprietor

M. No. A41316 | CP No. 19171

UDIN: A041316F000924385

Date: 07/08/2024

Place: Jaipur

# Business Responsibility and Sustainability Report

## Section A: General Disclosures

### I. Details of the listed entity

1.	Corporate Identity Number (CIN)	»»	L74899DL1978PLC009181
2.	Name of company	»»	Jagsonpal Pharmaceuticals Limited
3.	Year of incorporation	»»	1978
4.	Registered office address	»»	T-210 J, Shahpur Jat, New Delhi – 110 049 (India)
5.	Corporate office address	»»	Plot No. 412-415 Nimai Tower, 3 <sup>rd</sup> Floor Phase-IV, Udyog Vihar, Sector 18 Gurugram -122 015, Haryana (India)
6.	E-mail	»»	cs@jagsonpal.com
7.	Telephone	»»	+91 124 4406710
8.	Website	»»	www.jagsonpal.com
9.	Financial year for which reporting is being done	»»	April 1, 2023 – March 31, 2024
10.	Name of the stock exchange(s) where shares are listed	»»	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up capital (In ₹)	»»	₹ 13,21,88,970/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	»»	Name: Mr. Abhishek Joshi, Designation: Company Secretary, Telephone no.: +91 124 4406710 Email ID: cs@jagsonpal.com
13.	Reporting boundary	»»	Standalone basis
14.	Name of assurance provider	»»	NA
15.	Type of assurance obtained	»»	NA

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

The company is engaged in the business of marketing and distribution of pharmaceutical formulations.

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

S. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Pharmaceutical formulations	21002	97%

### III. Operations

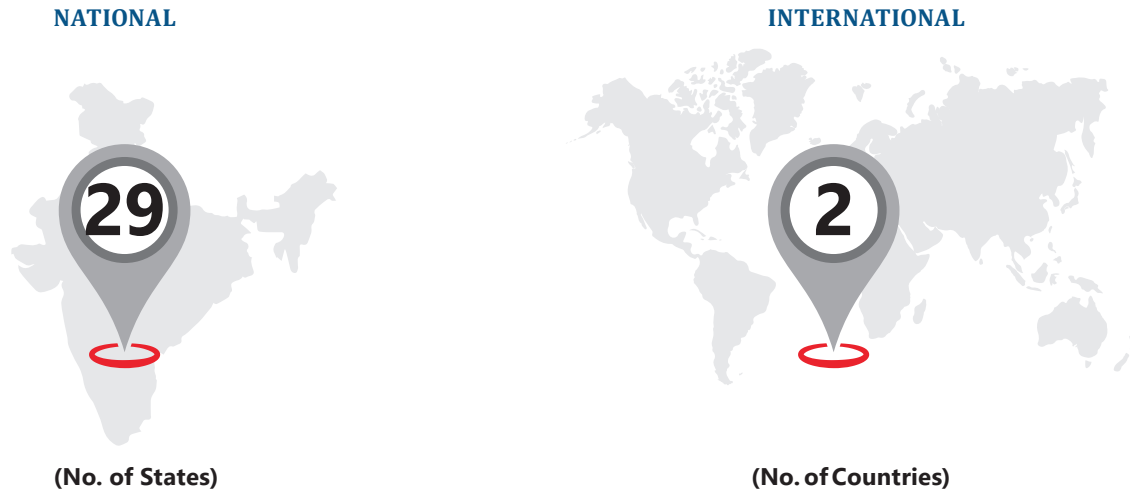
#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

- Registered Office in New Delhi
- Corporate Office in Gurugram, Haryana and Mumbai, Maharashtra
- Warehouse in Ghaziabad, Uttar Pradesh



## 19. Markets served by the entity

(A) No. of locations



(B) Exports – The Company exports products to USA and South Korea. Exports contributes 3% of the total turnover of the company.

(C) Customers – The customers are important stakeholders in our business. The Company's customer base includes Health Care Professionals and Government Institutions.

## IV. Employees

### 20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1.	Permanent (D)	1025	1005	98%	20	2%
2.	Other than Permanent (E)	10	9	90%	1	10%
3.	<b>Total employees (D + E)</b>	<b>1035</b>	<b>1014</b>	<b>98%</b>	<b>21</b>	<b>2%</b>
<b>Workers</b>						
1.	Permanent (F)	-	-	-	-	-
2.	Other than Permanent (G)	5	5	100%	-	-
3.	<b>Total workers (F + G)</b>	<b>5</b>	<b>5</b>	<b>100%</b>	<b>-</b>	<b>-</b>

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	<b>Total differently abled employees (D+E)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Workers</b>						
1.	Permanent (F)	0	0	0%	0	0%
2.	Other than Permanent (G)	0	0	0%	0	0%
3.	<b>Total differently abled workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

## 21. Participation/Inclusion/Representation of women

No. and percentage of Females			
	No. (B)	% (B / A)	
Board of Directors (including MD)	02	33%	06 <b>Total (A)</b>
Key Managerial Personnel (Chief Financial Officer* and Company Secretary)	00	0%	

\*Mr. S.V. Subha Rao ceased to be Chief Financial Officer of the Company w.e.f February 02, 2024 and Mr. Ashish Lakhotia has been appointed as Chief Financial Officer of the Company w.e.f February 03, 2024

## 22. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in current FY) Resignations			FY 2022-23 (Turnover rate in previous FY) Resignations			FY 2021-22 (Turnover rate in the year prior to the previous FY) Resignations		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	58%	1%	59%	49%	1%	50%	35%	1%	36%
Permanent Workers	-	-	-	-	-	-	-	-	-

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

### 23. (A) Names of holding/subsidiary/associate companies/joint ventures




S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
As on March 31, 2024, Company does not have any Subsidiary, Associate and Joint Venture Company.				





## VI. CSR Details

24. i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes  
 ii. Turnover (in Millions) – ₹ 2,087.02  
 iii. Net worth (in Millions) – ₹ 1,874.02

## VII. Transparency and Disclosures Compliances

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




Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Communities	info@jagsonpal.com	0	0	NA	0	0	NA
 Investors (other than shareholders)	cs@jagsonpal.com	0	0	NA	0	0	NA
 Shareholders	cs@jagsonpal.com	4	0	NA	2	0	NA








Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Employees and workers	info@jagsonpal.com	0	0	NA	0	0	NA
 Customers	customercare@jagsonpal.com Consumers can raise a concern via post, via given email (customercare@jagsonpal.com) and reach out to us directly via telephone (+91-124 4406710). Also the consumer can reach out to the Company through official communication channel available on our website www.jagsonpal.com	8	0	NA	18	0	NA
 Value Chain Partners	-	-	-	-	-	-	-
 Other (please specify)	-	0	0	NA	0	0	NA

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

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

Some material issues identified are as follows –

ESG Dimension	Material issues	Indicate whether risk or opportunity	Management approach	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Prevention of bribery and corruption	Risk	The Company is committed to preventing bribery and corruption. It fosters a transparent work environment where management and key personnel are readily accessible. To support this, policies such as the Whistleblower Policy have been implemented. Both external and internal stakeholders are encouraged to report any malpractices observed within the Company.	Negative 
	Data protection and Cybersecurity	Risk	The Company has a robust data protection system in place, including a cloud backup facility. It follows the 3-2-1 Data Protection and Recovery Plan, which involves maintaining three copies of server data on two different types of media, with one air-gapped copy stored offsite.	Negative 

ESG Dimension	Material issues	Indicate whether risk or opportunity	Management approach	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Human Resources 	Occupational Health and Safety	Risk	The Company believes that a safe and healthy work environment for employees is essential to the growth of any organisation. Furthermore, it has appropriate insurance coverage to manage any incidents of illness, injury, or fatalities.	Negative 
	Training and Development	Opportunity	Employees are encouraged to pursue in-house career development opportunities. Training programs, effective communication, and leadership development activities for growth of employees are the foundation of the organisation.	Positive 
Supply Chain 	Supply Chain Management	Risk	The Company has a network of suppliers and channel partners who may be exposed to disruption risk. During the onboarding process for suppliers, channel partners, and third-party contract manufacturers, mechanisms are in place to conduct detailed assessments of them to ensure regulatory compliance and to reduce the probability and impact of risk on Company.	Negative 
Social outcomes 	Product Quality and Patient Safety	Risk	The Company understands its responsibility to provide quality products to consumers. The Quality assurance team proactively reviews complaints and works towards resolving them effectively.	Negative 










## Section B: Management and Process Disclosures

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

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



## 1. Principle-wise Policies and Procedures

Principle	Particulars	Policies
 <b>P1</b>	Ethics and Transparency	The Company has formulated the following policies to promote an ethical and transparent culture and to express zero tolerance for unethical behavior: Whistleblower Policy, Code of Conduct, Policy for Determination of Materiality of Events, Policy on Related Party Transactions, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, and Information Security Policy.
 <b>P2</b>	Sustainable and Safe Product	The Company strives to achieve sustainability by balancing resource utilisation with social, environmental, and economic considerations. It has established adequate procedures to ensure the delivery of high-quality products to its users.
 <b>P3</b>	Well-being of Employees	The Company recognises human capital as an integral pillar and takes adequate steps to promote the individual goals of its human assets alongside the Company's goals. Policies and procedures are in place for employee welfare, guiding the organisation to maintain a healthy work environment and establish systems for rewarding and recognising deserving individuals.
 <b>P4</b>	Responsive to Stakeholders	The Company aims to create long-term value for its stakeholders. It has established proper procedures to protect and promote the interests of both its internal and external stakeholders.
 <b>P5</b>	Respect for Human Rights	The Company considers respecting human rights as its fundamental responsibility. This commitment not only strengthens stakeholder trust but also promotes a healthy and safe working environment for employees, facilitating efficient growth for the Company.
 <b>P6</b>	Environment Protection	Promoting its goal of sustainability, the Company strives to take adequate measures for energy conservation while efficiently employing technology. It regularly takes steps to raise awareness among employees about the importance of sustainability.
 <b>P7</b>	Public Policy Advocacy	The Company has consistently focused on its policies and advocated for changes to existing policy frameworks whenever necessary.
 <b>P8</b>	Inclusive Growth	As a member of society, the Company acknowledges its responsibility to contribute positively. To contribute to the growth of society especially weaker sections of the society, it focuses on education & livelihood and health & sanitation, as part of its CSR initiatives.
 <b>P9</b>	Concern and Value for Customers	The Company acknowledges the vital role and significance of its product users. It aims to deliver high-standard products at affordable prices, contributing to the creation of a healthy nation. Procedures for redressal of consumer grievances and receipt of feedback have been implemented. Additionally, policies regarding Information Security and Cybersecurity ensure the confidentiality of data and information held by the Company.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management process</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the board (Yes/No)	Yes, as applicable								
c. Web Link of the policies, if available	<a href="https://www.jagsonpal.com/investor-relations">https://www.jagsonpal.com/investor-relations</a>								
2. Whether the entity has translated the policy into procedure. (yes/No)	Yes (as applicable)								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes (as applicable)								
4. Name of the national and international codes/certifications/labels/standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity with defined timelines, if any	All the contract manufacturing units, manufacturing drug products for Jagsonpal, comply with the national standards i.e. Schedule-M as per the Drugs and Cosmetics act 1940.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	This is not applicable since the company doesn't operate any manufacturing facility thereby limiting the ability to set goals and targets for third parties.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Not Applicable								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The company equally prioritizes sustainable business growth and has initiated structured CSR activities that align with its corporate strategy. The company is dedicated to making a significant impact in society by focusing on a defined set of activities and demonstrating commitment to women's welfare, which is in line with the company's area of operations.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	<ul style="list-style-type: none"> <li>Director Identification Number (DIN): 06805265</li> <li>Name: Mr. Manish Gupta</li> <li>Designation: Managing Director</li> </ul>								
9. Does the entity has a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (yes/No) If yes, provide details.	<ul style="list-style-type: none"> <li>Director Identification Number (DIN): 06805265</li> <li>Name: Mr. Manish Gupta</li> <li>Designation: Managing Director</li> </ul>								

#### 10. Details of review of NGRBCs by the company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the board/any other committee (P1 to P9)	Frequency (Annually/Half-yearly/quarterly/any other-please specify) (P1 to P9)
Performance against above policies and follow up action	The necessary adjustments to policies and procedures are implemented as required, and any instances of non-compliance are noted for further appropriate action.	Policies of the Company are reviewed on a periodic basis to align it with regulatory changes
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The company has no reportable non-compliances.	As and when necessary, in compliance with statutory requirements
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No	

#### 12. If answer to question (1) above is "no" i.e., not all principles are covered by a policy reason to be stated.

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

### Section-C: Principle – wise Performance Disclosure



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

The company has established a code of conduct to guide its ethical and transparent operations. Our defined organisational structure ensures clear accountability, reducing the risk of miscommunication.

We operate in the healthcare sector ensuring delivery of quality services at a reasonable price making it reachable for all sections of society. We endeavour to ensure compliance with all applicable laws, rules and regulations.

## Essential Indicators

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

All employees received training on how to conduct themselves as per their roles and responsibilities, during the Periodic Training, with 781 employees attending the Prevention of Sexual Harassment (POSH) training in 2023-24.

Segment	Total number of trainings and awareness programmes held, and Topics / Principles covered under the trainings	% of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	After appointment of directors, the Company provides a comprehensive board induction kit which captures company-specific information at a broad level. This is followed by management discussion. The Board of Directors submits a declaration for compliance with code of conduct on annual basis.	100%
Employees other than BOD and KMPs	Employees undergo various training programmes including prevention of sexual harassment, ethical business practices, prohibition of insider trading etc.	76%
Workers	Not Applicable, since the company is not involved in manufacturing.	-

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

Monetary					
	NGRBC Principle	Name of the regulatory enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred? (yes/No)
Penalty/Fine	P1 – Ethics and Transparency	Office of the Principal Commissioner of Customs	5,09,79,206/-	Levy of differential duty towards incorrect classification of goods imported	No
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

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

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NA	-

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

The Company remains focused on maintaining a healthy and ethical culture within the organisation. We have formulated policies having zero-tolerance against bribery and corruption and established procedures prohibiting any kind of bribery and corruption. The Company has a Code of Conduct, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and policies like Whistle Blower Policy which are available at <https://www.jagsonpal.com/investor-relations>.

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

There were no such instances for FY 2023-24 and 2022-23.

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

## 6. Details of complaints regarding conflict of interest:

	FY 2023-24 Current Financial Year		FY 2022-23 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the board of directors	0	0	0	0
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	0	0	0

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

(Not Applicable)

## 8. Number of days of accounts payables ((Accounts payable \*365)/ Cost of goods/services procured) in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Number of days of accounts payables	13 days	25 days

## 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	18.69 %	22.82 %
	b. Number of trading houses where purchases are made from	23	19
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	87.76 %	87.41 %
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	77.47 %	81.35 %
	b. Number of dealers/ distributors to whom sales are made	2491	2625
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	8.69 %	7.56 %
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	7.69 %	13.81 %
	b. Sales (Sales to related parties/ Total Sales)	-	-
	c. Loans & Advances (Loans & advances given to related parties/ Total loans & advances)	-	-
	d. Investments (Investments in related parties/ Total Investments made)	-	-

## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

The Company collaborates with partners who resonate with its core values. In the case of any deviation or observed non-compliance in the operations of value chain partners, requisite corrective actions are taken.

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

The Company's code of conduct creates an awareness among Board of Directors in relation to conflict of interest and define procedures to avoid/manage any potential conflict of interest that may arise. In case of any such situation, company proactively take necessary steps to resolve the same before creation of any impact.

The Board of Directors also submits a declaration to the Company on an annual basis for compliance with Code of Conduct.



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

As an organisation that prioritises the well-being of our patients, we are dedicated to delivering high-quality products that are safe for our users. We have put in place thorough procedures to ensure the quality of our products at every stage until they reach the consumers. Our product packaging for all our brands includes comprehensive details to ensure the safety of our consumers. We take proactive measures to identify and address any potential risks or issues associated with our products. Our procedures comply with Good Manufacturing Practice (GMP) regulations and other quality standards outlined in the JPL Quality Management System. By adhering to GMP, we consistently produce and maintain the highest quality standards for medicinal products.

**Essential Indicators**

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

The primary area of our operations lies in the marketing and distribution of pharmaceuticals. Hence, the above statement is relevant to us majorly in terms of information technology capital expenditure. No such capital expenditure has been incurred in FY 2024.

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company sources the finished formulation from leading contract manufacturers who have implemented sustainable sourcing practices in-line with the global practices.

**b. If yes, what percentage of inputs were sourced sustainably?**

100% of inputs sourced sustainably by our contract manufacturers.

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

The Company has established procedures for the safe disposal of all the damaged and hazardous waste via incineration.

**(a) Plastics (including packaging)** - The company operates in pharmaceuticals industry where re-use and recycling of pharmaceutical products is not involved.

**(b) E-waste-** The Company has established procedures for the safe disposal of waste via applicable practices.

**(c) Hazardous waste** - Since the Company is involved in marketing and distribution of pharmaceutical products, it has no exposure to generation of hazardous waste.

**(d) Other waste** - Apart from the things specified above, no other form of waste is produced by the Company.

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

Although the Extended Producer Responsibility (EPR) does not apply to our entity’s activities, we are dedicated towards environmentally sustainable waste management practices. In accordance with the guidelines set by the Central Pollution Control Board (CPCB), the company ensures the proper disposal of all types of waste. This includes expired and damaged goods, which are handed over to government-approved vendors for recycling or incineration, depending on the appropriate method. By adhering to these waste management processes, we prioritise responsible and eco-friendly practices in our operations.

**Leadership Indicators**

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the life cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain. (yes/No) If yes, provide the web-link
Not Applicable on us, since the Company is not involved in Manufacturing					

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

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable on us, since the Company is not involved in Manufacturing		

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Not Applicable on us, since the Company is not involved in Manufacturing		

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

The company has established a process for facilitating the return of expired and damaged products to ensure their efficient disposal through authorised waste management agencies, specifically through incineration. We also obtain certificates as part of our quality control measures to certify the efficient disposal, ensuring that there is no possibility of expired or damaged products re-entering the market. This rigorous process minimises potential risks to consumer health that may result from consuming expired or damaged products.

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (Including packaging)	-	-	Total expired goods and damaged goods	-	-	Total expired goods and damaged goods
E-waste	-	-	sent for disposal -	-	-	goods sent for disposal -
Hazardous	-	-	25978 Kg	-	-	4675 Kg
Other waste	-	-		-	-	

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

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



C. **Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chain.**

The Company strives to align the individual goals of its employees with organisational goals. It considers its employees as human capital. Systems are in place to adequately reward and recognise deserving employees, which simultaneously acts as motivation for them to achieve better results.

**Essential Indicators**

1. **(a) Details of measures for the well-being of employees**

All employees are covered by well-being measures such as health and life insurances, accident insurance and maternity and other benefits (if applicable) as mentioned below:

Category	Health Insurance		Life/Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities		Total (A)
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
<b>Permanent Employees</b>											
Male	1005	100%	1005	100%	-	-	1005	100%	0	0	1005
Female	20	100%	20	100%	20	100%	0	0%	0	0	20
<b>Total</b>	<b>1025</b>		<b>1025</b>		<b>20</b>		<b>1005</b>		<b>0</b>	<b>0</b>	<b>1025</b>
<b>Other than Permanent Employees</b>											
Male	7	78%	9	100%	0	0%	9	100%	0	0	9
Female	0	0%	1	100%	1	100%	0	0%	0	0	1
<b>Total</b>	<b>1032</b>		<b>1035</b>		<b>21</b>		<b>1014</b>		<b>0</b>	<b>0</b>	<b>1035</b>

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

Category	Health Insurance		Life/Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities		Total (A)
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
Permanent Workers	0	0%	0	0%	0	0%	0	0%	0	0%	0
Other than Permanent Workers	5	100%	4	80%	0	0%	5	100%	5	100%	5

**(c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.20	0.21

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

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	-	Y	100	-	Y
ESI	17	-	Y	100	-	NA
Gratuity	100	-	N	46	-	Y
Others	-	-	-	-	-	-

**3. Accessibility of workplaces**

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

Currently, the Company does not have any employee who is differently-abled. Our Corporate office is situated in Gurugram, Haryana which is easily locatable and is equipped with necessary features to accommodate differently-abled employees. Our dedication towards promotion of well-being of our employees inspires us to go beyond compliance.

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

The Company believes in equality of opportunity for all persons irrespective of any disability. We recruit people basis their skills, knowledge and overall behaviour. We strive to build a healthy workplace wherein no discrimination can be tolerated on the basis of disability, gender, etc. We have not formulated a separate equal opportunity policy, however, our human resource policies do not contain any separate provision for disabled person making him feel inferior to others and we foster to grow together with all our human assets.

Whistle blower policy is available at: <https://www.jagsonpal.com/investor-relations>.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	-	-
Female	95	95	-	-
Total	100	100	-	-

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

We strive to create a healthy and safe workplace for our employees wherein they can raise their concerns, provide suggestions on any matters. The Company considers their concerns or suggestions. Our whistle blower policy guides the employees for reporting their genuine concerns regarding any unethical behavior observed or suspected fraud or violation of company's code of conduct. This policy contains provisions also with respect to protection of said person from victimisation.

We have constituted an Internal Complaints Committee under Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013 ("POSH Act"). The Company endeavours to create awareness among its employees regarding the Act and zero tolerance in violation of the same. The Company conducts training sessions annually on POSH which educates its employees on importance of compliance with POSH and issues which can arise on violation of POSH Act. The Company addresses any such concern seriously and conducts formal investigation whenever required.

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

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

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union.(B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union. (D)	% (D/C)
Total	-	-	-	-	-	-
Permanent Employees						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-
Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

**8. Details of training given to employees and workers**

The various trainings conducted by Learning and Development function, throughout the year 2023-24, include:

- Managerial Skill Development programmes: 5 sessions; 40 participants
- 69 Induction & Refresher Training programmes have been conducted for 674 newly inducted employees to cover job specific requirements.
- Additionally, 27 sessions have been conducted for refresher training of existing employees on Communication, Detailing and In-Clinic Performance skills, and Objection Handling.
- 31 Sessions on POSH have been conducted throughout the year covering 781 Participants

**In the year 2022-23:**

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

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

The Company has formulated criteria for reward and recognition to deserving candidates. We have implemented adequate measures for employees individual growth and development by conducting sessions periodically. Our performance cycle for employees is from April to March. The increment in remuneration for an employee depends on company's growth coupled with his/her individual performance during the year.

**Principle 3: Essential Indicators**

Answer to Question No. 9: Details of Performance and Career development reviews of employees and worker

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	1014	591	58%	925	294	68%
Female	21	13	62%	15	3	53%
<b>Total</b>	<b>1035</b>	<b>604</b>	<b>58%</b>	<b>940</b>	<b>297</b>	<b>68%</b>
<b>Workers</b>						
Male	5	5	100%	NA	NA	NA
Female	0	0	-	NA	NA	NA
<b>Total</b>	<b>5</b>	<b>5</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>



**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?**

The company is involved in the sale and distribution of pharmaceutical products. Since the company is not involved in manufacturing, its employees do not have direct exposure to health and safety risks. However, the company is committed to protecting its employees from any issues that may arise in the normal course of business. The company complies with directives and guidelines issued by the government for the well-being of its employees. The company understands the importance of the physical and mental well-being of its employees and prioritises it.

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

Company takes action on regular basis to identify any work-related hazards for its employees and initiate process accordingly to mitigate such risks.

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

The Company endeavours to create an understanding among its employees about the potential safety risks that may probably arise and are encouraged to highlight the same.

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

The Company has undertaken a Group Medclaim Policy, EDLI & Term Life Insurance and Group Accidental Insurance Policies for all of its employees, where Group Medclaim Policy provides an option to employee to include their dependents in the same. Additionally, Company also conducts a full body health checkup of all the employees to ensure their overall well-being.

**11. Details of safety-related incidents:**

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (Per one million-person hours worked)	-	Nil	Nil
Total recordable work-related injuries	-	19 road accidents were recorded in FY2023-24 where employees, covered under Group Medclaim & Accident Insurance policies were provided with monetary support for their hospitalisation and post discharge health support.	3 road accidents were recorded in FY2022-23 where employees, covered under Group Medclaim policy were provided with monetary support for their hospitalisation and post discharge health support.
No. of fatalities	-	1	Nil
High consequence works related injury or ill-health (excluding fatalities)	-	Nil	Nil

\*including the contract workforce

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

The Company endeavours to maintain a safe and healthy workplace for its employees both in terms of mental and physical health by implementing necessary measures in this regard. Additionally, we endeavour to remain compliant with guidance issued by concerned regulatory authorities in this regard.

- Proper systems have been devised to ensure compliance with safety standards along with maintenance of proper hygiene in office premises.
- Company has conducted a full body health check-up drive for all employees at its own cost to maintain a healthy workforce.

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

Benefits	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0



**14. Assessments for the year**

Health and safety practices	Regular checks have been conducted to ensure the proper functioning of health and safety measures for employees.
Working Conditions	The Company aims to ensure excellent working conditions at its office premises and to comply with all relevant laws and regulations regarding fair working conditions and labour laws.

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

The company is engaged in selling and distribution of products, hence this is not directly applicable basis nature of the business. However, the Company undertake necessary measures regularly, which have been covered in aforesaid points.

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

The company has implemented various employee benefit policies, including the EDLI Policy and Group Term Life Insurance Policy. These policies are prioritised in the event of an employee's death.

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

Value chain partners are third parties, that's why the Company does not deduct any statutory dues.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

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

We firmly believe in personal growth of our employees. Effective measures are taken by learning and development function to build new competencies, knowledge, and skills to help our employees upgrade their skills, grow and stay ahead of the curve which facilitates continuation of employment post-retirement or termination.

**5. Details on assessment of value chain partners**

We have efficient mechanisms in place to identify value chain partners. Proper measures are taken to identify risks associated in collaboration with such value chain partners and appropriate actions are taken to mitigate risks arising from such collaboration. We have a defined set of parameters for identification of risks.

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

Proper checking systems have been implemented to identify concerned risks arising from collaboration with value chain partners. The concentration level of risks pertaining to value chain partners are assessed on the basis of their established systems and processes. Appropriate mitigation strategies adopted to tackle such risks including health and safety.

In FY 2022-23: No physical audits or assessments were carried out due to the COVID pandemic.

In FY 2023-24: No case was found where corrective action was required.



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

The Company believes in upholding the interests of all stakeholders and aims to maximise their value. It recognises the importance of stakeholders in fostering success. The Company remains committed to earn the trust and support of its stakeholders by providing quality services.

**Essential Indicators**

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

The Company considers stakeholders as a cornerstone of the success of our business. We set certain guidelines and set of principles for our stakeholders. Being operated in the pharmaceutical industry, our patients are one of our key stakeholders. We strives to meet expectation of our stakeholders which enables us to earn our stakeholder's confidence in us. We engage with our stakeholders on a periodic basis to obtain their feedback.

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

Stakeholder Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Patients and consumers	Webinars, Social media pages, Posters, Standees, Pamphlets	Ongoing and need based	Disease awareness programmes are organised to educate the general public about the signs, symptoms and diagnosis, treatment and prevention options for a disease to foster better patient outcomes through prevention, early diagnosis and management to minimise or slow disease progression and complications.
Healthcare Professionals (HCPs)	Face to face meetings, Emails, Webinars, Social media pages, Posters, Standees, Pamphlets, Doctor networking platforms, SMSs, Instant platforms etc.	Ongoing and need based	Keep the HCP abreast with the latest information on disease, science of our product and disease management through our product. To provide avenues for HCPs to discuss and deliberate on latest data, clinical challenges and multidisciplinary expert discussions intending to help in improving treatment outcomes for the patients. We ensure responsible sales and marketing practices, in compliance with local laws and applicable industry codes, while interacting with HCPs.
Investors and Shareholders	Annual General Meetings, Emails, Newspaper/ Press Release, Advertisement, Notices, Website, Intimation to Stock Exchanges, Annual/ Quarterly Financials and Investor Presentation, Annual Reports	At least quarterly and need based	To stay abreast of developments in the Company, Performance of the Company and address concerns/ grievances
Communities and NGOS	Emails, Physical meetings, Website and other digital platforms.	Need based	Implementing and monitoring the CSR activities
Government and Drug Regulators	Emails, Submissions through online Regulatory Agency portals or direct submissions to Regulatory Agency office	Need based	Policy and Regulatory Matters, Grant and maintenance of licenses pertaining to manufacturing and marketing of our products, pricing of medicines and other regulatory approvals
Suppliers and Distributors	Emails, physical meetings, website and other digital platforms	Ongoing and need based	Quality of material, commercial and technical terms of payment and delivery, compliance to our ethics, ways of working and statutory requirements
Employees	Direct, email, town halls and team meetings.	Ongoing and need based	Performance Appraisal, Training and Career Development, Wellness and safety measures, Rewards and Recognitions

## Leadership Indicators

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

Refer answer to Question 2 of essential indicators.

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

Refer answer to Question 2 of essential indicators

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

Being a part of society and a good corporate citizen, the company recognises its duty to create a positive impact on society specially on weaker sections of the society. The Company's CSR initiatives primarily focus on two core areas:

- Education and Livelihood
- Health and Sanitation

Company has constituted a CSR Committee in terms of applicable provisions of the Companies Act, 2013 which review the progress in CSR initiatives on regular basis. Through its ongoing projects, company is focusing on the following areas:

- Promotion of Menstruation Hygiene
- Environmental Cleanliness

In pursuance of its CSR initiatives, Company has launched a website named "My Sakhi" focusing specifically on the topic of Menopause. The Company has built toilets, in collaboration with Sulabh International Social Service Organisation, with emphasis around women schools and public places.



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

The Company recognises the importance of fundamental human rights and is dedicated to protecting them. It prohibits any act or omission that violates an individual's human rights. The Company continuously strives to create a wholesome and secure work atmosphere for its employees, free from any kind of discrimination. To protect the dignity and human rights of its employees, the Company has formulated various policies, including the Prevention of Sexual Harassment Policy, Whistleblower Policy, and Code of Conduct.

### Essential Indicators

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

Our employees have been given training for professional development that focus on enhancing employees' professional skills, behaviour, and conduct in the workplace. Apart from professional development, employees are trained on prevention of sexual harassment as well to sensitise them towards gender diversity. 781 employees attended POSH training in 2023-24

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered. (B)	% (B/A)	Total (C)	No. of employees/ workers covered. (D)	% (D/C)
<b>Employees</b>						
Permanent Employees	1025	776	76%	940	829	88%
Other than Permanent Employees	10	5	50%	-	-	-
<b>Total</b>	<b>1035</b>	<b>781</b>	<b>75%</b>	<b>940</b>	<b>829</b>	<b>88%</b>
<b>Workers</b>						
Permanent Workers	-	-	-	-	-	-
Other than Permanent Workers	5	-	-	-	-	-
<b>Total</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		B	% (B/A)	C	%(C/A)		E	% (E/D)	F	%(F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	1005	-	-	1005	100%	925	-	-	925	100%
Female	20	-	-	20	100%	15	-	-	15	100%
<b>Other than Permanent</b>										
Male	9	-	-	9	100%	-	-	-	-	-
Female	1	-	-	1	100%	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>										
Male	5	-	-	5	100%	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

## 3. Details of remuneration/salary/wages

a. Median remuneration/ wages:

(In Millions)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (including MD)	4	1,00,00,000	2	0
Key Managerial Personnel (CFO and CS)	2	32,00,306	0	0
Employees other than BOD and KMP	1,016	3,35,232	21	3,50,004
Workers	5	2,45,820	0	0
Other	0	0	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	2.2%	2.3%

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

At Jagsonpal, Mr. Bharat Chugh, General Manager, Human Resource is responsible to ensure effective resolution of any matter related to human rights caused by the business.

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

Any matter which is unethical or is in violation of human rights of any individual can be reported to the General Manger, Human Resources, who proactively addresses the matter and undertakes suitable action to resolve the same. We have constituted an internal committee under policies like Prevention of Sexual Harassment of Women at workplace, Whistle blower, Grievance Redressal, etc which is solely responsible to address and resolve matters of violation.

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

We have not received any complaint regarding child labour, forced labour, wages, sexual harassment and discrimination at workplace in the current or previous financial year.

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution during the year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

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

The company has established effective mechanisms to prevent victimisation of individuals in cases of discrimination and harassment. We have an internal committee to address cases under the Prevention, Prohibition, and Redressal of Sexual Harassment of Women at Workplace Act of 2013. This committee is authorised to take disciplinary action, including dismissal, against any person who threatens or takes revenge against a complainant. Our company has a zero-tolerance policy for such behavior.

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

The Company aims to operate ethically in a transparent manner. We emphasize the importance of human rights in our core values. We enter into deal with only such parties who meets with our criteria regarding compliance of human right matters. Preliminary evaluation activity has been conducted before entering into any agreement and contract to check the core values of counter party. We prevent engagement in unethical practices violating human rights such as child labour, forced labour, minimum wages, working hours, etc.

**10. Assessments of the year**

Our mechanisms for such kind of matters has been internally reviewed by the Company to reduce the risk of non-compliances and no such non-compliances has been observed.

	% of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child Labour	0
Forced/Involuntary Labour	0
Sexual Harassment	0
Discrimination at Workplace	0
Wages	0
Other-please specify	0

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

Not Applicable since there were no cases recorded for the significant risks/concerns mentioned at Question 10 during the year under review.

**Leadership Indicators**

**1. Details of a business process being modified/introduced because of addressing human rights grievances/complaints.**

During the year under review there were no instances of human rights violation recorded and no complaints lodged. Accordingly, requirement of modification/introduction of a business process didn't arise.

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

The Company respects human rights and is dedicated to the protection of the same. It discourages any kind of activity that violates human rights in any way, for example, child labour, forced labour, human trafficking, discrimination, etc. The Company has zero tolerance against any act that is violative of human rights.

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

Our corporate office is situated in Gurugram, Haryana, is easily locatable and accessible to differently abled visitors and is equipped with necessary infrastructural requirements for differently abled visitors.

**4. Details on assessment of value chain partners:**

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



	<b>% of Value chain partner (By value of business done with such partners) that were assessed</b>
Child Labour	0
Forced/Involuntary Labour	0
Sexual Harassment	0
Discrimination at Workplace	0
Wages	0
Other-please specify	0

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

There was no requirement to implement any corrective measures as no significant risks. Concerns has been arisen from assessment of value chain partners as mentioned in answer to Question 4 above.



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

The Company acknowledges its responsibility to safeguard the environment. It is enhancing its systems and procedures by adopting a technology-driven approach and reducing its reliance on practices that negatively impact the environment. The Company is committed to minimising its environmental footprint and contributing to environmental restoration. Additionally, it has implemented efficient waste management initiatives and established a system for disposing of damaged and expired goods through incineration.

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity:**

(Note: below data is for Corporate Office and warehouse)

9,41,134 Units (kwh/kvah) has been total electricity consumption at Corporate Office and warehouse.

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

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

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

The Company recognises the significance of water for human survival and is committed to minimising its wastage in every possible way. Since the Company is engaged only in the selling and distribution of pharmaceutical products, its water usage is limited to human consumption at the corporate office. The Company is dedicated to using water prudently and remains focused on its sustainable use.

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

The Company internally evaluates its usage of water.

**4. Provide the following related to water discharged:**

Not Applicable, since company use water for drinking purpose at its corporate office.

	<b>FY 2023-24</b>	<b>FY 2022-23</b>
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
i. To Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
ii. To Groundwater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
iii. To Seawater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
iv. Sent to third parties	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
v. Others	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>	<b>NA</b>	<b>NA</b>

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

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

The company's usage of water is limited to human consumption as it does not have a manufacturing plant. The company encourage its employees to use water in a sustainable manner reducing its wastage.

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

This parameter is not applicable since the company is not operating any manufacturing plant.

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

Not applicable since the company is not operating any manufacturing plant.

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

Not applicable since the company is not operating any manufacturing plant.

**9. Provide details related to waste management by the entity:**

The company has established a system for effective waste disposal through waste management agencies. Because the company sells and distributes pharmaceutical products, there is a significant risk of product expiration. Therefore, products that are near expiry, expired, or damaged are considered as waste. Once identified, they are handed over to a Government CPCB authorised waste management agencies for efficient disposal by way of incineration. Certificates are obtained to ensure proper waste disposal, preventing the return of such products to the market and preserving consumer and environmental health.

Quantum of expired goods and damaged goods sent for disposal:

FY 2022-23: 4675 Kg (4.675 MT)

FY 2023-24: 25978 Kg (25.978 MT)

Parameters	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste (A)	NA	0
E-waste (B)	NA	NA
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	0
Battery waste (E)	NA	0
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	25.978	4.675
Other Non-hazardous waste generated (H). Please Specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	NA	0
<b>Total (A+B+C+D+E+F+G+H)</b>	<b>25.978</b>	<b>4.675</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated/ Revenue from Operations)	NA	NA
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated/ Revenue from operations adjusted for PPP)	NA	NA
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>Waste intensity (optional)- the relevant metric may be selected by the entity</b>	NA	NA
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method. (in metric tons)</b>		
<b>Category of Waste</b>		
(i) Incineration	25.978	4.675
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>25.978</b>	<b>4.675</b>

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

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

This point is directly not applicable to the Company as it does not operate a manufacturing plant. The company outsources its product manufacturing through contract manufacturing arrangements. We get third plant manufacturing audited at regular intervals by our quality assurance department, to ensure its compliance with Central Pollution Control Board/State Pollution Control Board guidelines, and Hazardous and other waste (Management and Transboundary) Rules 2016.

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

This parameter is not applicable on the Company as it does not have any offices in ecologically sensitive areas.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Basis notification of the Ministry of Environment, Forests and Climate Change (MOEFCC) in India, an Environmental Impact Assessment (EIA) required to be carried out for those industries which impact environment negatively. The Company is not required to perform an EIA pre-clearance by the MOEFCC as it is into marketing and distribution of pharmaceuticals and does not have any operations which could have any adverse impact on the environment.

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

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

The Company remains compliant with the requisite environmental law/regulations/guidelines in India and there are no non-compliances reported for FY 2023-24.

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Nil				

### Leadership Indicators

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

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

- i. Name of the area
- ii. Nature of operations
- iii. Water withdrawal, consumption, and discharge in the following format:

Parameters	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater		
(iii) Third-party water		
(iv) Seawater/ desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed/ turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		



Parameters	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) Into surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>	NA	NA

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

Not Applicable since the company is not engaged in manufacturing.

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

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

Not Applicable since the company is not engaged in manufacturing.

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable as the Company does not have operations in ecologically sensitive areas.

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

The Company's carbon footprint is restricted to the use of consumables such as paper, plastic, water and energy as Company operates in marketing and distribution of pharmaceuticals and does not have its own manufacturing units.

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Not Applicable			

**5. Does the entity have a business continuity and disaster management plan?**

The Company has formulated a business continuity plan to be implemented in case of any exigencies.

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

The company does not operate a Manufacturing unit, it has no adverse impact on the environment. However, Company endeavours to minimise its impact on environment caused due to using plastic, paper, etc.

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

The contract manufacturers and suppliers are assessed at the time of onboarding and periodically thereafter for compliance with Good Manufacturing Practices (GMP). It is also ensured that their standard operating procedures are aligned with the Company's Quality Management System (QMS) through regular audits of contract manufacturing sites. Consequently, GMP, along with the Company's QMS, ensures the mitigation of environmental risks in this regard.



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

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

The Company is not a member of any trade and industry associations.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	NA	NA

This list of top 10 trades and industry associations is not applicable on the Company as Company is not a member of any trade and industry associations.

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

There were no material instances reported or any orders received from regulatory authorities on any issues related to anti-competitive conduct by the entity.

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

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



**H. Principle 8: Businesses should promote inclusive growth and equitable development**

The Company firmly believes in promoting inclusive growth and equitable development. It aims to provide quality services at a reasonable cost, without any discrimination based on gender, caste, religion, background, etc. The Company has identified Health and Sanitation, as well as Education and Livelihood, as core areas for its CSR initiatives, which are designed to uplift marginalised communities.

**Essential Indicators**

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

During the year under review, the Company has not undertaken Social Impact Assessment of any projects.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in Public domain (Yes/No)	Relevant Web link
NA					

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

We operate in selling and distribution of pharmaceutical products, hence our operations does not resulted into community displacement. Therefore, requirement for Rehabilitation and Resettlement (R&R) does not arise.

Sr. No.	Name of the project for which R&R is ongoing	State	District	No. of projects affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

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

Not Applicable

**4. Percentage of input material (inputs to total inputs by value) sourced from supplier.**

Not Applicable

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	0	0
Directly from within India	0	0

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	0.53%	0.69%
Semi-urban	1.99%	1.38%
Urban	40.09%	40.87%
Metropolitan	57%	57%

(Place to be categorised as per RBI Classification System – rural/ semi-urban/ urban/ metropolitan)

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments**

(Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NA	NA

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not Applicable

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

**(b) From which marginalised /vulnerable groups do you procure? - Not Applicable**

**(c) What percentage of total procurement (by value) does it constitute? - Not Applicable**

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

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

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

Name of Authority	Brief of the case	Corrective action taken
Nil		

**6. Details of beneficiaries of CSR Projects:**

To improve women's hygiene and sanitation facilities, we have constructed four girls' toilets at various locations in Uttarakhand and Punjab as part of our CSR initiatives. This aligns with our commitment to health and sanitation, benefiting approximately 2500 people.



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

The Company strives to provide quality services with a prime focus on women’s health. It has implemented necessary procedures to ensure the delivery of safe and healthy products to consumers by ensuring compliance with Good Manufacturing Practices (GMP) by partnered contract manufacturers.

**Essential Indicators**

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

The Company has implemented efficient measures to address consumer complaints and feedback. It endeavours to resolve consumer complaints proactively and consider their valuable feedback to improve systems. Consumers can submit their complaints and feedback via email at info@jagsonpal.com; customercare@jagsonpal.com; Lycored@jagsonpal.com as mentioned on the pack of products or call us at 0124-4406710 or send us the written complaint at our Corporate Office situated at Nimai Tower, 3<sup>rd</sup> Floor, Plot No. 412-415, Phase-IV, Udyog Vihar, Sector – 18, Gurugram -122015, Haryana (India)

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

Particulars	As a percentage to the total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not applicable - While the Company does not specifically mention any such details on its products, it complies with all statutory requirements of the Pollution Control Boards etc.

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

No consumer complaints were received during FY 2023-24.

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber- security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive trade practices	0	0	NA	0	0	NA
Unfair trade practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

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

No product recalls have been made during FY 23-24.

	Number	Reason for recall
Voluntary recalls	0	0
Forced recalls	0	0

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

The Company has a world-class firewall and antivirus installed on its network. The Company has complete data protection and cloud backup solutions which are continuously being monitored by professionals to avoid data breaches and hacking threats. There exists 3-2-1 Data Protection and Recovery Plan; three copies of server data, two different types of media, and one air-gapped copy located offsite. The IT department is the custodian of policy on cyber security and risks related to data privacy.

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

During the year under review, all the complaints received from consumers were related to packaging of the products and there were no instances recorded for any issue in relation to cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

7. **Provide the following information relating to data breaches:**
- Number of instances of data breaches** – Nil
  - Percentage of data breaches involving personally identifiable information of customers** - NA
  - Impact, if any, of the data breaches** - NA

### Leadership Indicators

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

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

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

Steps Taken to Inform and Educate Consumers about Safe and Responsible Usage of Products and Services

a. **Equipping Sales Representatives:** Sales representatives are provided with visual aids to effectively disseminate information to Healthcare Professionals (HCPs).

b. **Educational Sessions:** The Company conducts sessions on the responsible usage of its medicines with HCPs through webinars and conferences. These sessions update HCPs on the science behind the medicines during Continuing Medical Education (CME) activities and webinars.

c. **Dosage Instructions:** Physicians direct the dosage instructions for prescriptive drugs based on their examination of patients. Product packaging clearly includes directives for usage under the guidance of a medical practitioner.

d. **Comprehensive Product Information:** Medical representatives use product information leaflets that include the generic name, composition, dosage form and strength, clinical particulars (e.g., therapeutic indication, method of administration), contraindications, special warnings and precautions on use, and overdose information.

e. **Patient Education Materials:** Posters and related materials are created for patient education in easy-to-understand language. These materials are also available in regional languages to ensure broader accessibility and understanding.

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

Keeping consumers informed about disruptions or discontinuations of essential services is crucial. Jagsonpal employs these methods to keep consumers informed. In addition to providing public announcements through newspapers and press releases, providing periodic updates on the company website, leveraging social media platforms, and providing a dedicated email address for customer queries.

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

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

- QR code (in Divatrone), code numbers (Lycored softgels) and holographic strips on some of the products for verification of genuineness of products.
- Products contain prescribing information leaflets, for ready reference by the healthcare professional/consumer, as per the regulatory requirement



# Independent Auditor's Report

To the Members of  
Jagsonpal Pharmaceuticals Limited

## Report on the Audit of the Financial Statements

### Opinion

- We have audited the accompanying financial statements of Jagsonpal Pharmaceuticals Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.
- We have determined the matter described below to be the key audit matters to be communicated in our report.

### Basis for Opinion

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

### Key Audit Matter

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

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue from sale of products</b></p> <p>Refer notes 2(d)(iv) and 22 to the financial statements for accounting policy and revenue related disclosures respectively.</p> <p>The Company recognises revenue from the sale of pharmaceuticals products when control of products is transferred to the customer and there are no longer any unfulfilled obligations.</p> <p>The Company has a large number of customers operating in various geographies throughout the country and the sales contracts/arrangements with such customers have distinct/varying commercial terms that determine actual point in time for recognition of revenue.</p> <p>Accordingly, significant management judgment is required in determining the timing of transfer of control for revenue recognition in accordance with Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'). Further, the contracts and arrangements also include clauses for rebates and discounts, which require management to apply significant judgement for determining transaction price under variable consideration principles enunciated under Ind AS 115.</p>	<p>Our audit procedures in relation to revenue from sale of products included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>Obtained understanding of the revenue business processes of the Company;</li> <li>Assessed the appropriateness of revenue recognition policy of the Company and ensured that it is in line with Ind AS 115;</li> <li>Involved our IT specialists to evaluate design and test operating effectiveness of IT general controls and key automated controls of the Company's IT system which is used for revenue recognition;</li> <li>Evaluated the design and tested the operating effectiveness of key manual internal controls over revenue recognition;</li> <li>Performed substantive analytical procedures which includes margin analysis and period-on-period variance analysis, on revenue recognised during the year to identify any unusual indicators/trends;</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>Further, the Company considers revenue as key benchmark for evaluating performances and hence, there is risk of revenue being overstated due to pressure to achieve targets and earning expectations and therefore, in line with the requirements of the Standards on Auditing, revenue is determined to be an area involving significant risk which requires significant auditor attention.</p> <p>Owing to the amounts involved, volume of sales transactions and distinct/varied terms of contracts with customers, revenue from sale of products is considered to be a key audit matter for current year's audit.</p>	<ul style="list-style-type: none"> <li>• Performed test of details by selecting samples of revenue transactions pertaining to sale of products during the year, and verified the underlying supporting documents including contracts/agreements, sales invoices and dispatch documents;</li> <li>• Performed cut-off testing procedures by testing samples of revenue transactions recorded before the year end and after the year end to ensure revenue from such transactions is recorded in the correct period;</li> <li>• Obtained management workings for amounts recognised towards rebates/discounts and returns during the year and as at year end. On a sample basis, tested the underlying calculations for amounts recorded as accruals and provisions towards the aforementioned obligations, as per the terms of related contracts and regulations, and traced the underlying data to source documents; and</li> <li>• Evaluated the appropriateness and adequacy of the related presentation and disclosures in the financial statements.</li> </ul>

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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of

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

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

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

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



11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - 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 management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- Report on Other Legal and Regulatory Requirements**
15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)
  - c) The financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
  - f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting



under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in note 39 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(ii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, as stated in Note 36(b) to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and
  - vi. As stated in Note 48 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at the database level for the period 1 April 2023 to 31 December 2023, for the accounting software to log any direct data changes, as described in note 48 to the financial statements. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Madhu Sudan Malpani**

Partner

Membership No.: 517440

UDIN: 24517440BKGTZV1514

Place: Gurugram

Date: 20 May 2024



## Annexure I referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Jagsonpal Pharmaceuticals Limited on the financial statements for the year ended 31 March 2024

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

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

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	2.33	-	Assessment Year 2015-2016	Income tax department (CPC)
Income-tax Act, 1961	Income tax	0.74	-	Assessment Year 2016-2017	Income tax department (CPC)
The Maharashtra Value Added Tax Act, 2002	Value added tax	17.95	-	Financial Year 2014-2015	Deputy commissioner, Value Added Tax, Pune
The Maharashtra Value Added Tax Act, 2002	Value added tax	34.33	-	Financial Year 2015-2016	Deputy commissioner, Value Added Tax, Pune
The Maharashtra Value Added Tax Act, 2002	Value added tax	0.94	-	Financial Year 2016-2017	Deputy commissioner, Value Added Tax, Pune
West Bengal Value Added Tax Act, 2003	Value added tax	2.91	-	Financial Year 2008-2009	Joint Commissioner, Value Added Tax, Behala
West Bengal Value Added Tax Act, 2003	Value added tax	1.67	-	Financial Year 2009-2010	West Bengal Taxation Tribunal
Central Sales Tax Act, 1956	Central sales tax	0.33	-	Financial Year 2016-2017	Office of Assistant Commissioner, Department of Commercial Taxes, Tamil Nadu
The Custom Act, 1962	Custom duty	50.98	24.70	Financial Year 2018-2019 to 2023-2024	The Additional Commissioner of Customs (Import)

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

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

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

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

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

fraud on the Company relating to counterfeit supply of the Company's product as identified by the management in the current year. The amount of potential loss caused to the Company is unascertainable, as further explained under Note 47 to the accompanying financial statements.

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

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

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

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions

have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting

the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

**Madhu Sudan Malpani**  
Partner  
Membership No.: 517440  
UDIN: 24517440BKGTZV1514

Place: Gurugram  
Date: 20 May 2024

## Annexure II to the Independent Auditor's Report of even date to the members of Jagsonpal Pharmaceuticals Limited on the financial statements for the year ended 31 March 2024

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

1. In conjunction with our audit of the financial statements of Jagsonpal Pharmaceuticals Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

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

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and

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

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

#### Meaning of Internal Financial Controls with Reference to Financial Statements

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



### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls

were operating effectively as at 31 March 2024, based on the internal financial controls with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

**Madhu Sudan Malpani**  
Partner  
Membership No.: 517440  
UDIN: 24517440BKGTZV1514

Place: Gurugram  
Date: 20 May 2024

# Balance Sheet

as at 31 March 2024

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

	Notes	As at	
		31 March 2024	31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	9.10	183.50
Right of use assets	40	83.92	59.28
Financial assets			
(i) Investments	4	-	11.21
(ii) Other financial assets	5	51.70	26.44
Income-tax assets (net)	6	12.46	3.12
Other non-current assets	7	21.06	20.32
<b>Total non-current assets</b>		<b>178.24</b>	<b>303.87</b>
<b>Current assets</b>			
Inventories	9	149.97	206.76
Financial assets			
(i) Trade receivables	10	109.51	208.72
(ii) Cash and cash equivalents	11	127.60	110.53
(iii) Bank balances other than (ii) above	12	1,351.74	1,035.73
(iv) Other financial assets	5	1.10	3.15
Other current assets	7	80.83	80.70
Assets held for sale	8	171.79	-
<b>Total current assets</b>		<b>1,992.54</b>	<b>1,645.59</b>
<b>Total assets</b>		<b>2,170.78</b>	<b>1,949.46</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	132.19	130.99
Other equity	14	1,741.83	1,457.91
<b>Total equity</b>		<b>1,874.02</b>	<b>1,588.90</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	15	75.57	52.47
Provisions	16	9.18	10.75
Deferred tax liabilities (net)	17	20.73	21.63
<b>Total non-current liabilities</b>		<b>105.48</b>	<b>84.85</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Lease liabilities	15	13.84	7.54
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	18	16.44	29.33
Total outstanding dues of creditors other than micro enterprises and small enterprises		59.52	136.47
(iii) Other financial liabilities	19	67.14	77.44
Other current liabilities	20	26.82	20.98
Provisions	16	7.52	3.76
Current tax liabilities (net)	21	-	0.19
<b>Total current liabilities</b>		<b>191.28</b>	<b>275.71</b>
<b>Total liabilities</b>		<b>296.76</b>	<b>360.56</b>
<b>Total equity and liabilities</b>		<b>2,170.78</b>	<b>1,949.46</b>

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

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

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

**Madhu Sudan Malpani**  
Partner  
Membership No.: 517440

**Manish Gupta**  
Managing Director  
DIN: 06805265

**Harsha Raghavan**  
Chairman & Non-Executive Director  
DIN: 01761512

Place: Gurugram  
Date: 20 May 2024

**Ashish Lakhotia**  
Chief Financial Officer

**Abhishek Joshi**  
Company Secretary

# Statement of Profit and Loss

for the year ended 31 March 2024

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

	Notes	For the year ended	
		31 March 2024	31 March 2023
<b>Income</b>			
Revenue from operations	22	2,087.02	2,367.14
Other income	23	92.79	57.34
<b>Total income</b>		<b>2,179.81</b>	<b>2,424.48</b>
<b>Expenses</b>			
Cost of materials consumed	24	221.00	312.14
Purchases of stock-in-trade	25	539.81	568.30
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	38.96	43.02
Employee benefits expense	27A	484.93	564.15
Share based payment expense	27B	133.10	87.65
Finance costs	28	8.14	4.13
Depreciation, amortisation and impairment expense	29	16.63	12.05
Impairment losses on financial assets	30A	7.67	2.62
Other expenses	30B	430.88	447.75
<b>Total expenses</b>		<b>1,881.12</b>	<b>2,041.81</b>
<b>Profit before exceptional items and tax</b>		<b>298.69</b>	<b>382.67</b>
Exceptional items	44	-	34.59
<b>Profit before tax</b>		<b>298.69</b>	<b>348.08</b>
Tax expense:	31		
Current tax (including earlier years)		75.60	76.32
Deferred tax charge		(1.54)	4.55
<b>Total tax expense</b>		<b>74.06</b>	<b>80.87</b>
<b>Profit for the year</b>		<b>224.63</b>	<b>267.21</b>
<b>Other comprehensive income (OCI)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Gain/(loss) on fair valuation of equity instruments		0.25	(88.08)
Remeasurement gain/(loss) on defined benefit obligations		2.42	(20.78)
Income-tax effect	31	(0.64)	15.31
<b>Other comprehensive income for the year, net of tax</b>		<b>2.03</b>	<b>(93.55)</b>
<b>Total comprehensive income for the year</b>		<b>226.66</b>	<b>173.66</b>
<b>Earnings per equity share of ₹ 5 each</b>	49		
Basic (₹)		8.49	10.20
Diluted (₹)		8.46	10.20

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

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

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

**Madhu Sudan Malpani**  
Partner  
Membership No.: 517440

**Manish Gupta**  
Managing Director  
DIN: 06805265

**Harsha Raghavan**  
Chairman & Non-Executive Director  
DIN: 01761512

Place: Gurugram  
Date: 20 May 2024

**Ashish Lakhota**  
Chief Financial Officer

**Abhishek Joshi**  
Company Secretary



# Statement of Changes in Equity

as at 31 March 2024

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

## A. Equity share capital\*

<b>Balance as at 01 April 2022</b>	<b>130.99</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2023</b>	<b>130.99</b>
Changes in equity share capital during the year	1.20
<b>Balance as at 31 March 2024</b>	<b>132.19</b>

## B. Other equity\*\*

	Other equity					Total other equity
	Reserve and surplus				Other comprehensive income	
	Securities premium	General reserve	Share options outstanding account	Retained earnings	Equity instrument through other comprehensive income	
<b>Balance as at 01 April 2022</b>	<b>6.00</b>	<b>418.02</b>	-	<b>693.71</b>	<b>78.87</b>	<b>1,196.60</b>
Profit for the year	-	-	-	267.21	-	267.21
Other comprehensive income for the year, net of tax	-	-	-	(15.55)	(78.00)	(93.55)
<b>Total comprehensive income for the year</b>	-	-	-	<b>251.66</b>	<b>(78.00)</b>	<b>173.66</b>
<b>Transaction with owners in their capacity as owners:</b>						
Share based payment expense <sup>^</sup>	-	-	87.65	-	-	87.65
<b>Balance as at 31 March 2023</b>	<b>6.00</b>	<b>418.02</b>	<b>87.65</b>	<b>945.37</b>	<b>0.87</b>	<b>1,457.91</b>
Profit for the year	-	-	-	224.63	-	224.63
Other comprehensive income for the year, net of tax	-	-	-	2.90	(0.87)	2.03
<b>Total comprehensive income for the year</b>	-	-	-	<b>227.53</b>	<b>(0.87)</b>	<b>226.66</b>
<b>Transaction with owners in their capacity as owners:</b>						
Dividend paid <sup>^^</sup>	-	-	-	(130.99)	-	(130.99)
Share based payment expense <sup>^</sup>	-	-	133.10	-	-	133.10
Issue of equity shares on exercise of stock options <sup>^</sup>	105.20	-	(50.05)	-	-	55.15
<b>Balance as at 31 March 2024</b>	<b>111.20</b>	<b>418.02</b>	<b>170.70</b>	<b>1,041.91</b>	-	<b>1,741.83</b>

\*Refer note 13 for details.

\*\*Refer note 14 for details.

<sup>^</sup>Refer note 42 for details.

<sup>^^</sup>Refer note 36(b) for details.

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

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

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

**Madhu Sudan Malpani**  
Partner  
Membership No.: 517440

**Manish Gupta**  
Managing Director  
DIN: 06805265

**Harsha Raghavan**  
Chairman & Non-Executive Director  
DIN: 01761512

Place: Gurugram  
Date: 20 May 2024

**Ashish Lakhotia**  
Chief Financial Officer

**Abhishek Joshi**  
Company Secretary

# Statement of Cash Flow

for the year ended on 31 March 2024

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

	For the year ended	
	31 March 2024	31 March 2023
<b>A. Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>298.69</b>	<b>348.08</b>
<b>Adjustments:</b>		
Depreciation, amortisation and impairment expense	16.63	12.05
Exceptional items (Refer note 44)	-	27.79
Interest income (Refer note 23)	(85.92)	(34.28)
Finance costs	8.14	4.13
Share based payment expense (Refer note 27B)	133.10	87.65
Profit on sale of property, plant and equipment	-	(3.59)
Loss on fair valuation of financial assets	-	4.44
Profit on sale of current and non-current investments	-	(5.92)
Allowance for expected credit loss (Refer note 30A)	7.67	2.62
Excess provisions written back	(0.60)	(2.42)
Provision for inventory obsolescence (Refer note 9)	3.69	3.80
	<b>82.71</b>	<b>96.27</b>
<b>Operating cash flows before working capital changes</b>	<b>381.40</b>	<b>444.35</b>
<b>Movement in working capital:</b>		
Trade receivables	91.54	(55.56)
Other current assets and non-current assets	(34.65)	81.75
Inventories	53.10	86.86
Other current and non-current financial assets	1.16	(19.12)
Trade payables	(89.82)	(19.62)
Other current and non-current financial liabilities	31.87	23.60
Provisions	2.19	(2.95)
<b>Cash flows from operating activities</b>	<b>436.79</b>	<b>539.31</b>
Income tax paid (net of refund)	(85.13)	(72.76)
<b>Net cash flows from operating activities</b>	<b>351.66</b>	<b>466.55</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2.48)	(3.18)
Proceeds from sale of property, plant and equipment		12.96
Sale of non-current investments	11.46	196.87
Movement in current investments (net)	-	215.33
Investment in bank deposits	(1,354.07)	(1,058.94)
Proceeds from bank deposits	1,025.94	25.97
Interest received	73.67	34.28
<b>Net cash used in investing activities</b>	<b>(245.48)</b>	<b>(576.71)</b>
<b>C. Cash flows from financing activities (refer note 2)</b>		
Proceeds from issue of equity share capital (including securities premium)	56.35	-
Finance costs paid (Refer note 40(g))	(0.37)	(1.35)
Payment for principal portion of lease liabilities	(6.33)	(0.44)
Payment for interest portion of lease liabilities (Refer note 40(f))	(7.77)	(2.78)
Dividend paid (Refer note 36(b))	(130.99)	-
<b>Net cash used in financing activities</b>	<b>(89.11)</b>	<b>(4.57)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>17.07</b>	<b>(114.73)</b>
Add: cash and cash equivalents at the beginning of the year	110.53	225.26
<b>Cash and cash equivalents at the end of the year (Refer note 11)</b>	<b>127.60</b>	<b>110.53</b>

# Statement of Cash Flow

for the year ended on 31 March 2024

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

	For the year ended	
	31 March 2024	31 March 2023
<b>Reconciliation of cash and cash equivalents as per the statement of cash flow</b>		
Balance with banks in current accounts	57.50	109.99
Cash on hand	-	0.54
Bank deposits with original maturity less than three months	70.10	-
Cash and cash equivalents at the end of the year (Refer note 11)	<b>127.60</b>	<b>110.53</b>

Notes:

- Statement of cash flow has been prepared basis the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"
- Refer note 40(f) and (g) for movement of liabilities arising from financing activities

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

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

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

**Madhu Sudan Malpani**  
Partner  
Membership No.: 517440

**Manish Gupta**  
Managing Director  
DIN: 06805265

**Harsha Raghavan**  
Chairman & Non-Executive Director  
DIN: 01761512

Place: Gurugram  
Date: 20 May 2024

**Ashish Lakhotia**  
Chief Financial Officer

**Abhishek Joshi**  
Company Secretary



# Notes to the financial statements

for the year ended 31 March 2024

## 1. Background

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

## 2. Material accounting policies

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

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

The financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 20 May 2024. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

### (b) Basis of preparation

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

### (c) Recent accounting pronouncement

#### (i) New and Amended Standards Adopted by the Company:

The Ministry of Corporate Affairs ('MCA') vide its notification dated 31 March 2023, notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8

- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- (ii) Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### (d) Summary of material accounting policies

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

#### (i) Current versus non-current classification

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

#### (ii) Property, plant and equipment

##### *Initial recognition and measurement*

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

##### *Subsequent costs and disposal*

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the

# Notes to the financial statements

for the year ended 31 March 2024

cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

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

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

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

### ***Subsequent measurement (depreciation and useful lives)***

Freehold land is carried at historical cost. All other items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Act.

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

The residual values, useful lives and method of depreciation are reviewed at the end of each reporting period and adjusted if appropriate.

### **(iii) Inventories**

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

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

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

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

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

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



# Notes to the financial statements

for the year ended 31 March 2024

## (iv) Revenue recognition and other income

### *Revenue from sale of products*

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

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

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

A receivable is recognised by the Company when control of the products is transferred and the Company's right to an amount of consideration under the contract with the customer is unconditional, as only the passage of time is required. When either

party to a contract has performed, the Company presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment.

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

### *Interest income*

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

### *Income from scrap sales*

Scrap sales are recognised when control of scrap goods are transferred i.e., on dispatch of goods and are accounted for net of returns and rebates.

## (v) Borrowing cost

Borrowing cost includes interest expense as per effective interest rate (EIR). Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period they occur.

## (vi) Leases

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

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

### *Classification of leases*

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

# Notes to the financial statements

for the year ended 31 March 2024

## **Recognition and initial measurement of right of use assets**

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

## **Subsequent measurement of right of use assets**

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

## **Lease liabilities**

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

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

## **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets

are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease-term.

## **(vii) Impairment of non-financial assets**

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

## **(viii) Foreign currency**

### **Functional and presentation currency**

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

### **Transactions and balances**

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

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



# Notes to the financial statements

for the year ended 31 March 2024

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

## (ix) Financial instruments

### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price under Ind AS 115 "Revenue from Contracts with Customers".

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

### **Non-derivative financial assets**

#### *Subsequent measurement*

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

- 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.

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

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

### *De-recognition of financial assets*

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

### **Non-derivative financial liabilities**

#### *Subsequent measurement*

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

### *De-recognition of financial liabilities*

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

### **Offsetting of financial instruments**

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

## (x) Impairment of financial assets

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



# Notes to the financial statements

for the year ended 31 March 2024

## *Trade receivables*

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

## *Other financial assets*

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

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

## **(xi) Taxes**

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

The current income-tax charge is calculated on the basis of the tax laws enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses (including unabsorbed depreciation) only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## **(xii) Cash and cash equivalents**

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

## **(xiii) Employee benefits**

### *Short-term employee benefits*

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

### *Defined contribution plan*

Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution plan as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. In addition, contributions are made to



# Notes to the financial statements

for the year ended 31 March 2024

employees' state insurance schemes, which are also defined contribution plans recognized and administered by the Government of India. The Company's contributions to these schemes are expensed in the statement of profit and loss.

## **Defined benefit plan**

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

Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost and net interest expense (calculated on net balance defined benefit obligations and fair value of plan assets) on the Company's defined benefit plan is included in employee benefits expense. Actuarial gains/losses resulting from re-measurements of the defined benefit obligation are included in other comprehensive income.

## **Other long-term employee benefits**

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

from experience adjustments and changes in actuarial assumptions are also recorded in the statement of profit and loss in the year in which such gains or losses arise.

## **(xiv) Share based payment expense**

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

## **(xv) Provisions, contingent liabilities and contingent assets**

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

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

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

## **(xvi) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding

# Notes to the financial statements

for the year ended 31 March 2024

during the year. The weighted average number of equity shares outstanding during the year is adjusted for events including a share split or a bonus issue.

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

## (xvii) Rounding of amounts

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

## (xviii) Critical estimates and judgements

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

- a) **Recognition of deferred tax assets**  
– The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income (supported by reliable evidence) against which the deferred tax assets can be utilized.
- b) **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- c) **Contingent liabilities** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- d) **Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.
- e) **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- f) **Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.
- g) **Leases** – The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease



# Notes to the financial statements

for the year ended 31 March 2024

if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

- h) Fair value measurements –** Management applies valuation techniques to determine fair value of equity instruments (where active market quotes are not available) and stock options. This involves developing estimates and assumptions around discount rate, volatility, dividend yield which may affect the value of equity instruments or stock options.

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

## Notes to the financial statements

for the year ended 31 March 2024

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

### 3. Property, plant and equipment

	Freehold land (1)	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total
<b>Gross carrying amount as at 1 April 2022</b>	87.59	163.80	119.92	163.19	9.46	6.88	30.16	581.00
Additions	-	-	-	0.36	-	2.82	-	3.18
Disposals/Adjustments	-	-	119.92	162.19	9.46	1.68	21.52	314.77
<b>Gross carrying amount as at 31 March 2023</b>	<b>87.59</b>	<b>163.80</b>	-	<b>1.36</b>	-	<b>8.02</b>	<b>8.64</b>	<b>269.41</b>
Additions	-	-	-	0.12	2.03	0.33	-	2.48
Disposals/Adjustments (3)	87.59	163.80	-	-	-	0.12	-	251.51
<b>Gross carrying amount as at 31 March 2024</b>	-	-	-	<b>1.48</b>	<b>2.03</b>	<b>8.23</b>	<b>8.64</b>	<b>20.38</b>
<b>Accumulated depreciation as at 01 April 2022</b>	-	<b>73.11</b>	<b>111.63</b>	<b>142.04</b>	<b>6.08</b>	<b>2.91</b>	<b>19.50</b>	<b>355.27</b>
Depreciation for the year	-	5.19	-	0.08	-	1.96	1.03	8.26
Impairment charge for the year (2)	-	-	5.82	16.65	0.98	0.80	3.54	27.79
Disposals/Adjustments	-	-	105.81	125.31	5.10	0.12	13.49	249.83
<b>Accumulated depreciation as at 31 March 2023</b>	-	<b>78.30</b>	-	<b>0.16</b>	-	<b>3.95</b>	<b>3.50</b>	<b>85.91</b>
Depreciation for the year	-	1.29	-	0.10	0.55	2.09	1.03	5.06
Disposals/Adjustments(3)	-	79.59	-	-	-	0.10	-	79.69
<b>Gross carrying amount as at 31 March 2024</b>	-	-	-	<b>0.26</b>	<b>0.55</b>	<b>5.94</b>	<b>4.53</b>	<b>11.28</b>
<b>Net carrying amount as at 31 March 2024</b>	-	-	-	<b>1.22</b>	<b>1.48</b>	<b>2.29</b>	<b>4.11</b>	<b>9.10</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>87.59</b>	<b>85.50</b>	-	<b>1.20</b>	-	<b>4.07</b>	<b>5.14</b>	<b>183.50</b>

#### Notes:

- (1) The title deeds of all the immovable properties are held in the name of Company.
- (2) The impairment charge for the year ₹ Nil (31 March 2023: ₹ 27.79 million) includes impairment charge on certain assets that has been assessed as non-usable by the management.
- (3) The disposal/adjustments includes assets classified as held for sale ₹ 171.79 million (31 March 2023: ₹ Nil) (refer note 8 for details)



# Notes to the financial statements

for the year ended 31 March 2024

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

## 4. Investments

	As at 31 March 2024	As at 31 March 2023
<b>Non-current investments</b>		
<b>a) Investments in equity instruments (measured at fair value through other comprehensive income)\$</b>		
<i>Quoted</i>		
Nil (31 March 2023: 1,043) equity shares of Sun Pharmaceuticals Limited (face value of ₹ 1 each)^	-	1.03
<b>b) Investments in 10.5% bonds (measured at amortised cost)</b>		
Nil (31 March 2023: 10) Perpetual bond of IndusInd Bank Limited	-	10.18
<b>Total non-current investments</b>	<b>-</b>	<b>11.21</b>
<b>Aggregate amount of quoted investments</b>	<b>-</b>	<b>1.03</b>
<b>Aggregate amount of unquoted investments</b>	<b>-</b>	<b>10.18</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>-</b>

\$These investments are strategic in nature and hence, designated as fair value through other comprehensive income. During the year, these have been sold.

^The Company has received dividend of ₹ Nil (31 March 2023: ₹ 0.003 million).

## 5. Other financial assets

(Unsecured considered good, unless stated otherwise)

	As at			
	31 March 2024		31 March 2023	
	Non-current	Current	Non-current	Current
Bank deposits with more than 12 months maturity	47.00	-	22.63	-
Security deposits	4.70	1.10	3.81	2.30
Other assets	-	-	-	0.85
<b>Total other financial assets</b>	<b>51.70</b>	<b>1.10</b>	<b>26.44</b>	<b>3.15</b>

## 6. Income-tax assets (net)

	As at 31 March 2024	As at 31 March 2023
Income-tax assets (net)	12.46	3.12
<b>Total income-tax assets (net)</b>	<b>12.46</b>	<b>3.12</b>

## 7. Other assets

(Unsecured considered good, unless stated otherwise)

	As at			
	31 March 2024		31 March 2023	
	Non-current	Current	Non-current	Current
Gratuity fund (refer note 33)	21.06	-	20.32	-
Advance to vendors	-	19.90	-	29.60
Prepaid expenses	-	13.59	-	10.68
Balances with government authorities*	-	44.91	-	28.06
Advance to employees	-	2.43	-	12.36
<b>Total other assets</b>	<b>21.06</b>	<b>80.83</b>	<b>20.32</b>	<b>80.70</b>

\*including deposit under protest amounting to ₹ 24.70 million (31 March 2023: ₹ Nil).

# Notes to the financial statements

for the year ended 31 March 2024

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

## 8. Assets held for sale

	As at 31 March 2024	As at 31 March 2023
Freehold land and building*	171.79	-
<b>Total assets held for sale</b>	<b>171.79</b>	<b>-</b>

\* During the year, the Company has classified Faridabad manufacturing premises as "Non-current assets held for sale" in line with Ind AS 105, Non-current Assets Held for sale and Discontinued Operations, as its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The Company expects to materialise this transaction in next few months. Currently, the fair value less costs to sell exceeds carrying value.

## 9. Inventories

	As at 31 March 2024	As at 31 March 2023
Raw materials*	60.24	78.07
Work-in-progress	12.64	10.81
Finished goods (inclusive of stock-in-trade of ₹ 38.29 million (31 March 2023: ₹ 70.70 million))*	77.09	117.88
<b>Total inventories</b>	<b>149.97</b>	<b>206.76</b>
<b>*Goods-in-transit included in the above</b>		
Raw materials	- <sup>^</sup>	5.43
Finished goods	0.75	- <sup>^</sup>
<b>Total goods in transit</b>	<b>0.75</b>	<b>5.43</b>
Total write down of inventories recognised during the year	3.69	3.80

<sup>^</sup>Rounded off to nil.

## 10. Trade receivables

	As at 31 March 2024	As at 31 March 2023
Trade receivables - considered good, unsecured*	110.43	208.72
Trade receivables - credit impaired	9.61	6.00
	<b>120.04</b>	<b>214.72</b>
Less: Allowance for expected credit loss		
Trade receivables - considered good, unsecured	(0.92)	-
Trade receivables - credit impaired	(9.61)	(6.00)
<b>Total trade receivables</b>	<b>109.51</b>	<b>208.72</b>

\*inter-alia, includes Nil (31 March 2023: ₹ 0.77 million) receivables from related parties (Refer note 37).

### Trade receivables ageing schedule:

#### Ageing schedule for trade receivables outstanding as at 31 March 2024

Particulars	Outstanding for following periods from the date of the transaction					Total
	Less than 6 months	6 months -1year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable						
- Considered good	106.24	4.19	-	-	-	110.43
- Credit impaired	-	-	0.15	1.65	1.05	2.85
(ii) Disputed trade receivable						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	1.15	3.77	0.29	1.55	6.76
<b>Total</b>	<b>106.24</b>	<b>5.34</b>	<b>3.92</b>	<b>1.94</b>	<b>2.60</b>	<b>120.04</b>

# Notes to the financial statements

for the year ended 31 March 2024

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

## Ageing schedule for trade receivables outstanding as at 31 March 2023:

Particulars	Outstanding for following periods from the date of the transaction					Total
	Less than 6 months	6 months -1year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable						
- Considered good	201.62	7.10	-	-	-	208.72
- Credit impaired	-	1.73	1.28	0.37	0.85	4.23
(ii) Disputed trade receivable						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	-	0.31	0.02	1.44	1.77
<b>Total</b>	<b>201.62</b>	<b>8.83</b>	<b>1.59</b>	<b>0.39</b>	<b>2.29</b>	<b>214.72</b>

## 11. Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balance with banks in current accounts	57.50	109.99
Cash on hand	-	0.54
Bank deposits with original maturity less than three months	70.10	-
<b>Total cash and cash equivalents</b>	<b>127.60</b>	<b>110.53</b>

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period.

## 12. Bank balances other than cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Bank deposits with maturity up to twelve months from the reporting date	1,351.74	1,035.73
<b>Total bank balances other than cash and cash equivalents</b>	<b>1,351.74</b>	<b>1,035.73</b>

## 13. Equity share capital

	As at 31 March 2024	As at 31 March 2023
<b>Authorised</b>		
30,000,000 (31 March 2023 : 30,000,000) equity shares of ₹ 5 each with voting rights	150.00	150.00
20,000,000 (31 March 2023 : 20,000,000) equity shares of ₹ 5 each with differential voting rights	100.00	100.00
	<b>250.00</b>	<b>250.00</b>
<b>Issued and subscribed</b>		
26,437,794 (31 March 2023 : 26,198,000) equity shares of ₹ 5 each with voting rights	132.19	130.99
	<b>132.19</b>	<b>130.99</b>
<b>Paid up capital</b>		
26,437,794 (31 March 2023 : 26,198,000) equity shares of ₹ 5 each with voting rights	132.19	130.99
	<b>132.19</b>	<b>130.99</b>

### (a) Movement in equity share capital:

	As at 31 March 2024		As at 31 March 2023	
	Number	₹ in million	Number	₹ in million
At the commencement	2,61,98,000	130.99	2,61,98,000	130.99
Add: Shares issued during the year	2,39,794	1.20	-	-
At the end of the year	2,64,37,794	132.19	2,61,98,000	130.99



# Notes to the financial statements

for the year ended 31 March 2024

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

## b) Terms/rights attached to equity shares

The Company has issued equity shares with voting rights having par value of INR 5 per share and having entitlement to vote accordingly. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## c) Details of shareholders holding more than 5% equity shares in the Company

Equity shares of ₹ 5 each fully paid up held by	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of total shares	Number of shares	% of total shares
Aresko Progressive Private Limited	53,34,254	20.18	53,34,254	20.36
Infinity Holdings	66,13,020	25.01	66,13,020	25.24
Infinity Holdings Sidecar I	47,55,300	17.99	47,55,300	18.15

## d) Disclosure of shareholding of promoters (as per the Act) is as follows:

Promoter's name	As at 31 March 2024			As at 31 March 2023		
	Number of shares	% of total shares	% change during the year ended 31 March 2024	Number of shares	% of total shares	% change during the year ended 31 March 2023
Rajpal Singh Kochhar	12,12,160	4.58	(0.04)	12,12,160	4.62	-
Aresko Progressive Private Limited	53,34,254	20.18	(0.18)	53,34,254	20.36	(43.72)
Infinity Holdings	66,13,020	25.01	(0.23)	66,13,020	25.24	25.24
Infinity Holdings Sidecar I	47,55,300	17.99	(0.16)	47,55,300	18.15	18.15
Infinity Consumer Holdings	87,180	0.33	(0.00)	87,180	0.33	0.33

## e) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date

The Company did not issue any shares pursuant to contract(s) without payment being received in cash.

The Company did not issue bonus shares immediately preceding the respected balance sheet date.

The Company has not undertaken any buy back of shares.

## f) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer note 42.

## 14. Other equity

	As at 31 March 2024	As at 31 March 2023
Securities premium	111.20	6.00
General reserve	418.02	418.02
Share options outstanding account	170.70	87.65
Retained earnings	1,041.91	945.37
Equity instrument through other comprehensive income	-	0.87
<b>Total other equity</b>	<b>1,741.83</b>	<b>1,457.91</b>

### Nature and purpose of other equity

#### Securities premium

The unutilised accumulated balance represents excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

#### General reserve

This represents appropriation of profit and is available for distribution of dividend.

# Notes to the financial statements

for the year ended 31 March 2024

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

## Share options outstanding account

This account used to recognise the grant date fair value of options issued to eligible employees pursuant to the Company's employee stock option plan.

## Retained earnings

Retained earnings comprises of current year and prior periods undistributed earning or losses after tax.

## Equity instrument through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instrument measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are de-recognised/disposed off.

## 15. Lease liabilities

	As at 31 March 2024		As at 31 March 2023	
	Non-current	Current	Non-current	Current
Lease liabilities (Refer note 40)	75.57	13.84	52.47	7.54
<b>Total lease liabilities</b>	<b>75.57</b>	<b>13.84</b>	<b>52.47</b>	<b>7.54</b>

## 16. Provisions

	As at 31 March 2024		As at 31 March 2023	
	Non-current	Current	Non-current	Current
Provision for leave encashment (Refer note 33)	9.18	7.52	10.75	3.76
<b>Total provisions</b>	<b>9.18</b>	<b>7.52</b>	<b>10.75</b>	<b>3.76</b>

## 17. Deferred tax liabilities (net)

	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax liabilities arising on account of:</b>		
Employee benefits	1.10	1.46
Property, plant and equipment	21.01	20.47
Right of use assets	21.12	14.92
Equity instruments	-	0.11
	<b>43.23</b>	<b>36.96</b>
<b>Deferred tax assets arising on account of:</b>		
Lease liabilities	22.50	15.10
Others	-	0.23
	<b>22.50</b>	<b>15.33</b>
<b>Deferred tax liabilities (net)</b>	<b>20.73</b>	<b>21.63</b>

Particulars	As at 01 April 2023	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at 31 March 2024
<b>Liabilities</b>				
Employee benefits	1.46	(1.11)	0.75	1.10
Property, plant and equipment	20.47	0.54	-	21.01
Right of use assets	14.92	6.20	-	21.12
Financial instruments	0.11	-	(0.11)	-
<b>Assets</b>				
Lease liabilities	(15.10)	(7.40)	-	(22.50)
Others	(0.23)	0.23	-	-
<b>Total</b>	<b>21.63</b>	<b>(1.54)</b>	<b>0.64</b>	<b>20.73</b>

# Notes to the financial statements

for the year ended 31 March 2024

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

Particulars	As at 01 April 2022	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at 31 March 2023
<b>Liabilities</b>				
Employee benefits	1.96	4.73	(5.23)	1.46
Property, plant and equipment and intangible assets	28.87	(8.40)	-	20.47
Right of use assets	-	14.92	-	14.92
Financial instruments	10.19	-	(10.08)	0.11
<b>Assets</b>				
Lease liabilities	-	(15.10)	-	(15.10)
Minimum alternate tax ('MAT') credit entitlement	(6.36)	6.36	-	-
Others	(2.28)	2.05	-	(0.23)
<b>Total</b>	<b>32.38</b>	<b>4.56</b>	<b>(15.31)</b>	<b>21.63</b>

## 18. Trade payables

	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises	16.44	29.33
Total outstanding dues of creditors other than micro enterprises and small enterprises <sup>^</sup>	59.52	136.47
<b>Total trade payables</b>	<b>75.96</b>	<b>165.80</b>

<sup>^</sup>inter-alia, includes ₹ 8.06 million (31 March 2023: 10.81 million) payables to related parties (Refer note 37)

### Trade payables ageing schedule:

#### Ageing schedule for trade payables outstanding as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	16.44	-	-	-	16.44
Others	36.14	0.13	0.13	3.73	40.13
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	<b>52.58</b>	<b>0.13</b>	<b>0.13</b>	<b>3.73</b>	<b>56.57</b>
Provision for expenses					19.39
<b>Total trade payables</b>					<b>75.96</b>

#### Ageing schedule for trade payables outstanding as at 31 March 2023:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	29.33	-	-	-	29.33
Others	97.44	0.27	0.45	3.76	101.92
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	<b>126.77</b>	<b>0.27</b>	<b>0.45</b>	<b>3.76</b>	<b>131.25</b>
Provision for expenses					34.55
<b>Total trade payables</b>					<b>165.80</b>

\* MSME as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

## 19. Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Security deposits received	5.00	5.80
Employee benefits payable	61.36	71.64
Unclaimed dividend	0.78	-
<b>Total other financial liabilities</b>	<b>67.14</b>	<b>77.44</b>



# Notes to the financial statements

for the year ended 31 March 2024

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

## 20. Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	12.83	13.46
Contract liabilities	12.94	6.12
Other liabilities	1.05	1.40
<b>Total other current liabilities</b>	<b>26.82</b>	<b>20.98</b>

## 21. Current tax liabilities (net)

	As at 31 March 2024	As at 31 March 2023
Current tax liabilities (net of income tax assets amounting to ₹ 85.12 million (31 March 2023: ₹ 76.13 million))	-	0.19
<b>Total current tax liabilities (net)</b>	<b>-</b>	<b>0.19</b>

## 22. Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of products	2,087.02	2,367.14
<b>Total revenue from operations</b>	<b>2,087.02</b>	<b>2,367.14</b>

### 22.1 Disaggregated revenue information

In the following table, revenue from sale of product is disaggregated by primary geographical market and major product lines.

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Primary geographical markets</b>		
India	2,040.41	2,311.86
Rest of the world	46.61	55.28
<b>Total</b>	<b>2,087.02</b>	<b>2,367.14</b>
<b>Major product lines</b>		
Formulation	2,020.59	2,269.90
Active Pharmaceutical Ingredients (API)	66.43	97.24
<b>Total</b>	<b>2,087.02</b>	<b>2,367.14</b>

### 22.2 Contract balances

	As at 31 March 2024	As at 31 March 2023
Trade receivables	109.51	208.72
Contract liabilities (Advance from customers)	12.94	6.12

The amount ₹ 6.12 million recognised in contract liabilities as at 31 March 2023 has been recognised as revenue for the year ended 31 March 2024.

### 22.3 Reconciliation of revenue recognised with the contract price is as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	2,243.68	2,571.62
Reduction towards discount and rebates	(156.66)	(204.48)
<b>Revenue recognised</b>	<b>2,087.02</b>	<b>2,367.14</b>

# Notes to the financial statements

for the year ended 31 March 2024

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

## 23. Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on bank deposits	85.92	33.94
Interest income on refund of income-tax	-	0.34
Profit on sale of current and non-current investments	-	5.92
Excess provisions written back	0.60	2.42
Scrap sales	2.03	6.67
Profit on sale of property, plant and equipment (net)	-	3.59
Miscellaneous income	4.24	4.46
<b>Total other income</b>	<b>92.79</b>	<b>57.34</b>

## 24. Cost of materials consumed

	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw materials consumed	221.00	312.15
<b>Total cost of materials consumed</b>	<b>221.00</b>	<b>312.15</b>

## 25. Purchase of stock-in-trade

	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchases of stock-in-trade	539.81	568.30
<b>Total purchase of stock-in-trade</b>	<b>539.81</b>	<b>568.30</b>

## 26. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Opening balances</b>		
Work-in-progress	10.81	27.02
Stock-in-trade	70.70	54.24
Finished goods	47.18	90.45
<b>Total opening balance</b>	<b>128.69</b>	<b>171.71</b>
<b>Closing balances</b>		
Work-in-progress	12.64	10.81
Stock-in-trade	38.29	70.70
Finished goods	38.80	47.18
<b>Total closing balance</b>	<b>89.73</b>	<b>128.69</b>
<b>Total changes in inventories of finished goods, stock-in-trade and work-in-progress</b>	<b>38.96</b>	<b>43.02</b>

## 27A. Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	455.54	537.27
Contribution to provident and other funds	28.59	25.05
Staff welfare expenses	0.80	1.83
<b>Total employee benefit expense</b>	<b>484.93</b>	<b>564.15</b>

# Notes to the financial statements

for the year ended 31 March 2024

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

## 27B. Share based payment expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Share based payment expense	133.10	87.65
<b>Total share based payment expense</b>	<b>133.10</b>	<b>87.65</b>

## 28. Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liabilities	7.77	2.78
Other borrowing costs	0.37	1.35
<b>Total finance costs</b>	<b>8.14</b>	<b>4.13</b>

## 29. Depreciation, amortisation and impairment expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	5.06	8.26
Depreciation on right-of-use assets	11.57	3.49
Impairment of goodwill	-	0.30
<b>Total depreciation, amortisation and impairment expense</b>	<b>16.63</b>	<b>12.05</b>

## 30A. Impairment losses on financial assets

	For the year ended 31 March 2024	For the year ended 31 March 2023
Allowance for expected credit loss	7.67	2.62
<b>Total impairment losses on financial assets</b>	<b>7.67</b>	<b>2.62</b>

## 30B. Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	1.73	2.88
Consumption of stores and spares	0.42	0.80
Material handling costs	1.14	0.88
Rent	9.13	18.31
Rates and taxes	5.51	5.92
Insurance	6.18	10.40
Repairs and maintenance	5.71	3.52
Corporate social responsibility expenditure (Refer note 41)	5.60	5.45
Travelling and conveyance	163.55	140.36
Communication costs	2.34	4.93
Printing and stationery	0.14	0.70
Legal and professional charges	26.36	38.70
Directors' sitting fees	1.38	1.71
Directors' commission	1.50	1.50
Advertising and business promotion	138.58	147.30
Freight and forwarding charges	24.78	31.43
Commission to clearing and forwarding agents	28.28	13.42
Payment to auditor (Refer note (a) below)	3.17	1.90
Loss on fair valuation of financial assets	-	4.44
Miscellaneous expenses	5.38	13.19
<b>Total of other expenses</b>	<b>430.88</b>	<b>447.74</b>

# Notes to the financial statements

for the year ended 31 March 2024

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

## (a) Details of payment to statutory auditors (excluding applicable taxes and including out of pocket expenses)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>As auditor:</b>		
Statutory audit and limited review fee	3.00	1.80
Out of pocket expenses	0.17	0.10
<b>Total payment to statutory auditors</b>	<b>3.17</b>	<b>1.90</b>

## 31. Income tax

### 31.1 The major components of income tax expense are:

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Statement of profit and loss</b>		
<b>Current tax:</b>		
Income tax charge for the year	75.64	81.44
Income tax charge for earlier years	(0.04)	(5.12)
	<b>75.60</b>	<b>76.32</b>
<b>Deferred tax:</b>		
Deferred tax charge for the year	(1.54)	4.56
	<b>(1.54)</b>	<b>4.56</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>74.06</b>	<b>80.88</b>
<i>Other comprehensive income</i>		
<b>Deferred tax:</b>		
Tax related to items that will not be reclassified to profit or loss	(0.64)	15.31
<b>Income tax (expenses)/benefit</b>	<b>(0.64)</b>	<b>15.31</b>

### 31.2 Reconciliation between average effective tax rate and applicable tax rate for the year:

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Profit before tax</b>	<b>298.69</b>	<b>348.08</b>
At India's statutory income tax rate of 25.168% (31 March 2023: 25.168%)	75.17	87.60
- Effect of non-deductible expenses	1.41	(2.37)
- Effect of minimum alternate tax credit reversal	-	6.36
- Effect of earlier year taxes	(0.04)	(5.12)
- Others	(2.48)	(5.61)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>74.06</b>	<b>80.86</b>

## 32. Micro, small and medium enterprises

	As at 31 March 2024	As at 31 March 2023
The principal amount remaining unpaid to any supplier as at the end of the year	16.44	29.33
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	-	-

# Notes to the financial statements

for the year ended 31 March 2024

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

	As at 31 March 2024	As at 31 March 2023
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 33. Employee benefits

### (A) Defined contribution plans

The Company has certain defined contribution plans such as provident fund, employee state insurance and labour welfare fund, where in specified percentage is contributed to these plans. During the year, the Company has contributed following amounts to:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Employer's contribution to provident fund and other funds	22.43	19.94
Employer's contribution to employee state insurance	1.42	2.66
	<b>23.85</b>	<b>22.60</b>

### (B) Defined benefit plans

#### (I) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.17% p.a. (31 March 2023: 7.36% p.a.) which is determined by reference to market yield on government bonds at the Balance Sheet date.

The retirement age has been considered at 58 years (31 March 2023: 58 years) and mortality table is as per IALM (2012-14) (31 March 2023: IALM (2012-14)). Weighted average duration are 3.26 years (31 March 2023: 6.13 years). The withdrawal rate considered in actuarial valuation is 30% (31 March 2023: 15%)

The estimates of future salary increases, considered in actuarial valuation is 7% p.a. (31 March 2023: 7% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for all the employees of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return on plan assets is 6.52% p.a. (31 March 2023: 6.85% p.a.).

### (C) Risk exposures:

Theses plans typically expose the Company to the following actuarial risks:

**Salary risk :** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plans liability.

**Interest rate risk :** A fall in the discount rate, which is linked, to the government bond rate will increase the present value of the liability requiring higher provision.

**Investment risk :** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on governments bonds. If the return on plan asset is below this rate, it will create a plan deficit.

**Mortality risk :** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.



# Notes to the financial statements

for the year ended 31 March 2024

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

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Balance at the beginning of the year</b>	<b>49.89</b>	<b>65.00</b>
Current service cost	6.24	4.89
Interest cost	3.08	3.67
Actuarial (gain)/loss	(1.57)	20.08
Benefits paid	(12.56)	(43.75)
<b>Balance at the end of the year</b>	<b>45.08</b>	<b>49.89</b>

Fair value of plan assets\*

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Balance at the beginning of the year</b>	<b>70.21</b>	<b>89.20</b>
Return of plan assets	4.58	6.11
Benefit paid	(9.49)	(24.41)
Actuarial loss/(gain)	0.84	(0.69)
<b>Balance at the end of the year</b>	<b>66.14</b>	<b>70.21</b>

\*The plan assets were invested in insurer managed funds.

*Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:*

	For the year ended 31 March 2024	For the year ended 31 March 2023
Fair value of plan assets at the end of the year	66.14	70.21
Present value of obligation at the end of the year	(45.08)	(49.89)
<b>Net defined benefit asset recognised in the balance sheet</b>	<b>21.06</b>	<b>20.32</b>

The Company's best estimate of contribution during the next year is ₹ Nil (31 March 2023: ₹ Nil)

*Expense recognised in the statement of profit and loss under employee benefits expense:*

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	6.24	4.89
Interest cost (net)	(1.50)	(2.44)
<b>Expense recognised in the statement of profit and loss</b>	<b>4.74</b>	<b>2.45</b>

*Amount recognised in the other comprehensive income (net):*

	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial gain due to demographic assumption change	(1.32)	(0.77)
Actuarial loss/(gain) due to financial assumption change	0.20	(1.00)
Actuarial (gain)/loss due to experience adjustments	(0.46)	21.86
Differential return on plan assets	(0.84)	0.69
<b>Amount recognised in the other comprehensive income (net)</b>	<b>(2.42)</b>	<b>20.78</b>



# Notes to the financial statements

for the year ended 31 March 2024

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

## Sensitivity analysis of the defined benefit obligation:

### Discount rate

	31 March 2024		31 March 2023	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity level				
Impact on defined benefit plan	45.56	44.62	51.90	48.05

	31 March 2024		31 March 2023	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity level				
Impact on defined benefit plan	44.52	45.65	47.83	52.10

Sensitivities due to mortality and withdrawals are not material. Hence, impact of change is not calculated above.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement

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:

	As at 31 March 2024	As at 31 March 2023
Within one year	19.91	15.96
Between one to five years	24.09	23.16
Later than five years	9.54	31.85
	<b>53.54</b>	<b>70.97</b>

## (D) Other long-term employee benefits (compensated absences) :

	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the end of the year	16.70	14.51
	<b>16.70</b>	<b>14.51</b>

## 34 Fair value measurements

	Notes	Carrying value as at		Fair value as at	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Financial assets</b>					
<b>Amortised cost (Level 3)</b>					
Investments	(a, c)	-	11.21	-	11.21
Trade receivables	(a)	109.51	208.72	109.51	208.72
Cash and cash equivalents	(a)	127.60	110.53	127.60	110.53
Other bank balances	(a)	1,351.74	1,035.73	1,351.74	1,035.73
Other financial assets	(a, b)	52.80	29.59	52.80	29.59
<b>Total financial assets</b>		<b>1,641.65</b>	<b>1,395.78</b>	<b>1,641.65</b>	<b>1,395.78</b>
<b>Financial liabilities</b>					
<b>Amortised cost (Level 3)</b>					
Lease liabilities	(a)	89.41	60.01	89.41	60.01
Trade payables	(a)	75.96	165.80	75.96	165.80
Other financial liabilities	(a)	67.14	77.44	67.14	77.44
<b>Total financial liabilities</b>		<b>232.51</b>	<b>303.25</b>	<b>232.51</b>	<b>303.25</b>

# Notes to the financial statements

for the year ended 31 March 2024

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

## The following methods/assumptions were used to estimate the fair values:

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments. Further, the fair value disclosure of lease liabilities is not required.
- Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- Fair value of financial instruments which are measured at fair value is explained below:

### (i) Fair value hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments;

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

**Level 3:** unobservable inputs for the asset or liability.

### (ii) Financial instruments measured at fair value - recurring fair value measurements

Particulars	Significant unobservable input	Level	As at 31 March 2024	As at 31 March 2023
<b>Financial assets</b>				
Investments in equity shares - others, quoted*	None	Level 1	-	1.03

\*The fair value has been determined basis the listed market price of equity shares.

### (iii) The following table presents the changes in level 3 items for the years ended 31 March 2024 and 31 March 2023

Particulars	Investments in equity shares - others, unquoted	Investments in OCRPS
<b>As at 1 April 2022</b>	<b>188.55</b>	<b>75.74</b>
Add: Impact of fair value changes during the year	(88.10)	4.25
Less: De-recognition of financial asset	(100.45)	(79.99)
<b>As at 31 March 2023</b>	-	-
Add: Impact of fair value changes during the year	-	-
Less: De-recognition of financial asset	-	-
<b>As at 31 March 2024</b>	-	-

## 35. Financial risk management

### Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board of Directors with top management oversees the formulation and implementation of the risk management policies. The risks and mitigation plans are identified, deliberated and reviewed at appropriate forums.

# Notes to the financial statements

for the year ended 31 March 2024

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

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, investments and other financial assets. The carrying amount of financial assets represents the maximum credit 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 Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional or dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

As at 31 March 2024 and 31 March 2023, the Company does not foresee any risk with the customers, except accounted for.

### Expected credit loss with respect to trade receivables:

In accordance with Ind AS 109 - Financial Instruments, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers.

With respect to trade receivables, based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹ 4.19 million (31 March 2023: ₹ 7.10 million). The Company recognises allowance for expected credit loss at full value for disputed receivables and undisputed receivables outstanding for more than one year.

### Movement in the expected credit loss allowance of trade receivables are as follows:

	As at 31 March 2024	As at 31 March 2023
<b>Balance at the beginning of the year</b>	6.00	4.77
Add: Allowance for expected credit loss	7.67	2.62
Less: Receivables written off *	(3.14)	(1.39)
<b>Balance at the end of the year</b>	<b>10.53</b>	<b>6.00</b>

\* Receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a payment plan with the Company.

### Expected credit loss with respect to other financial asset:

With regards to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no allowance for expected credit loss has been provided on these financial assets.

# Notes to the financial statements

for the year ended 31 March 2024

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

## (ii) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due. In doing this, management considers both normal and stressed conditions. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March 2024 and 31 March 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2024	Carrying amount	Contractual cash flows			
		Total	Within 1 year	1 - 2 year	More than 2 year
<b>Non-derivative financial liabilities</b>					
Lease liabilities	89.41	121.33	16.08	17.11	88.14
Trade payables	75.96	75.96	75.96	-	-
Other financial liabilities	67.14	67.14	67.14	-	-

As at 31 March 2023	Carrying amount	Contractual cash flows			
		Total	Within 1 year	1 - 2 year	More than 2 year
<b>Non-derivative financial liabilities</b>					
Lease liabilities	60.01	88.48	8.92	8.92	70.64
Trade payables	165.80	165.80	165.80	-	-
Other financial liabilities	77.44	77.44	77.44	-	-

## (iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates. The Company's size and operations result in it being exposed to currency risk that arise from its use of financial instruments. The risk may affect the Company's income and expenses or the value of its financial instruments. The Company's exposure to and management of such risk is explained below.

### Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of the Company. The currency in which the Company is exposed to risk is USD.

The Company follows a natural hedge driven currency risk mitigation policy, to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are planned, including but not limited to, entering into forward contracts and interest rate swaps.

### Exposure to currency risk

The summary quantitative data about the Company's exposure (unhedged) to currency risk (USD) as reported to the management of the Company is as follows:

	As at 31 March 2024	As at 31 March 2023
Trade receivables (₹ in million)	15.06	26.09
Trade payables (₹ in million)	-	(10.96)
<b>Net exposure</b>	<b>15.06</b>	<b>15.13</b>



# Notes to the financial statements

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## Sensitivity analysis

A reasonably possible strengthening/weakening of the USD against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss and other equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	Profit before tax and other equity	
	Strengthening	Weakening
<b>31 March 2024</b>		
USD (5% movement)	0.75	(0.75)
<b>31 March 2023</b>		
USD (5% movement)	0.76	(0.76)

## 36. Capital management

### (a) Risk management

The Company's objective when managing capital are to maintain positive cash flow position. The Company's strategy is to maintain a reasonable current ratio. The current ratio is as follows:

	As at 31 March 2024	As at 31 March 2023
Current assets	1,992.54	1,645.60
Current liabilities	191.28	275.72
<b>Current ratio</b>	<b>10.42</b>	<b>5.97</b>

### (b) Dividends

	As at 31 March 2024	As at 31 March 2023
<b>Equity shares</b>		
Dividends paid during the year ended 31 March 2024 out of retained earnings was ₹ 5 per equity share for the year ended 31 March 2023, aggregating to ₹ 130.99 million. (31 March 2023: Nil)	130.99	-

On 20 May 2024, the Board of Directors of the Company have proposed a final dividend of ₹ 5 per equity share in respect of the year ended 31 March 2024, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 132.19 million.

# Notes to the financial statements

for the year ended 31 March 2024

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

## 37. Related party disclosures

### 1. Related parties with whom transactions have taken place:

The names of the related parties of the Company and the nature of relationship is as follows:

S. No.	Nature of relationship	Name of the party
1	Entities exercising significant influence over the Company	Aresko Progressive Private Limited Infinity Holdings
2	Enterprises in which certain directors are interested or are in common:	Naari Pharma Private Limited Aresko Properties LLP Suvyns Developers Private Limited (from 29 June 2022) Dharuhera Pharmaceuticals Private Limited Aresko Life Sciences Private Limited Sewara Realtech LLP
3	Key management personnel (KMP)	Ms. Jasbir Kaur Kochhar (till 29 June 2022) Mr. Ashok Kumar Pati (till 29 June 2022) Mr. Ishpal Singh Ghai (till 29 June 2022) Mr. Mammen Mathew (till 29 June 2022) Mr. Bharat Sinh (till 29 June 2022) Mr. Rajpal Singh Kochhar (till 16 July 2022) Ms. Nandita Singh (till 31 December 2022) (Company Secretary) Mr. S V Subha Rao (up to 02 February 2024) (Chief Financial Officer) Mr. Ashish Lakhotia (from 03 February 2024) (Chief Financial Officer) Ms. Radhika Madhukar Dudhat (from 29 June 2022) Mr. Prithipal Singh Kochhar (from 29 June 2022) Mr. Harsha Raghavan (from 29 June 2022) Mr. Debasis Bikash Nandy (from 29 June 2022) Ms. Pallavi Dinodia Gupta (from 29 June 2022) Mr. Manish Gupta (from 16 July 2022) Mr. Abhishek Joshi (from 13 February 2023) (Company Secretary)

### 2. Transaction with related parties during the year ended 31 March 2024

S. No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Total
	<b>Description of transactions:</b>				
<b>1.</b>	<b>Purchase of goods and services:</b>				
	<b>Naari Pharma Private Limited</b>				
	Purchase of raw materials	-	50.47	-	50.47
	Job work charges	-	0.88	-	0.88
	<b>Aresko Life Sciences Private Limited</b>				
	Purchase of raw materials	-	7.22	-	7.22
		-	<b>58.57</b>	-	<b>58.57</b>
<b>2.</b>	<b>Other income:</b>				
	Naari Pharma Private Limited	-	1.80	-	1.80
	Aresko Life Sciences Private Limited	-	0.18	-	0.18
		-	<b>1.98</b>	-	<b>1.98</b>



# Notes to the financial statements

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

S. No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Total
<b>3.</b>	<b>Remuneration (including perquisites)*</b>				
	Mr. Manish Gupta	-	-	26.68	26.68
	Mr. Ashish Lakhotia	-	-	0.79	0.79
	Mr. S V Subha Rao	-	-	7.64	7.64
	Mr. Abhishek Joshi	-	-	0.89	0.89
		-	-	<b>36.00</b>	<b>36.00</b>
<b>4.</b>	<b>Sitting fees:</b>				
	Ms. Radhika Madhukar Dudhat	-	-	0.35	0.35
	Mr. Debasis Bikash Nandy	-	-	0.55	0.55
	Ms. Pallavi Dinodia Gupta	-	-	0.48	0.48
		-	-	<b>1.38</b>	<b>1.38</b>
<b>5.</b>	<b>#Commission:</b>				
	Ms. Radhika Madhukar Dudhat	-	-	0.50	0.50
	Ms. Pallavi Dinodia Gupta	-	-	0.50	0.50
	Mr. Debasis Bikash Nandy	-	-	0.50	0.50
		-	-	<b>1.50</b>	<b>1.50</b>
<b>6.</b>	<b>Share based payment expense</b>				
	Mr. Manish Gupta	-	-	85.72	85.72
		-	-	<b>85.72</b>	<b>85.72</b>

### 3. Outstanding balances with related parties as at 31 March 2024

S. No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Total
<b>1.</b>	<b>Trade payables:</b>				
	Naari Pharma Private Limited		2.71		2.71
	Aresko Life Sciences Private Limited	-	5.28	-	5.28
		-	<b>7.99</b>	-	<b>7.99</b>
<b>2.</b>	<b>#Commission payable:</b>				
	Ms. Radhika Madhukar Dudhat	-	-	0.50	0.50
	Ms. Pallavi Dinodia Gupta	-	-	0.50	0.50
	Mr. Debasis Bikash Nandy	-	-	0.50	0.50
		-	-	<b>1.50</b>	<b>1.50</b>
<b>3.</b>	<b>Equity share capital:</b>				
	Aresko Progressive Private Limited	26.67	-	-	26.67
	Infinity Holdings	33.07	-	-	33.07
		<b>59.74</b>	-	-	<b>59.74</b>



# Notes to the financial statements

for the year ended 31 March 2024

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

## 4. Transaction with related parties for the year ended 31 March 2023

S. No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Total
	<b>Description of transactions:</b>				
<b>1.</b>	<b>Purchase of goods and services:</b>				
	Naari Pharma Private Limited		37.57		37.57
	Suvynys Developers Private Limited	-	84.05	-	84.05
		-	<b>121.62</b>	-	<b>121.62</b>
<b>2.</b>	<b>Other Income:</b>				
	Naari Pharma Private Limited	-	0.77	-	0.77
		-	<b>0.77</b>	-	<b>0.77</b>
<b>3.</b>	<b>Sale of property, plant and equipment:</b>				
	Aresko Properties LLP	-	0.01	-	0.01
	Dharuhera Pharmaceuticals Private Limited	-	0.23	-	0.23
	Sewara Realtech LLP	-	0.21	-	0.21
	Mr. Inderpal Singh Kochhar	-	-	0.02	0.02
	Mr. Rajpal Singh Kochhar	-	-	1.90	1.90
		-	<b>0.45</b>	<b>1.92</b>	<b>2.37</b>
<b>4</b>	Mr. Rajpal Singh Kochhar	-	-	6.81	6.81
	Ms. Nandita Singh	-	-	0.70	0.70
	Mr. S V Subha Rao	-	-	4.80	4.80
	Mr. Manish Gupta	-	-	10.59	10.59
	Mr. Abhishek Joshi	-	-	0.10	0.10
		-	-	<b>23.00</b>	<b>23.00</b>
<b>5.</b>	<b>Sitting fees:</b>				
	Mr. Bharat Sinh	-	-	0.06	0.06
	Mr. Ashok Kumar Pati	-	-	0.04	0.04
	Mr. Ishpal Singh Ghai	-	-	0.05	0.05
	Mr. Mammen Mathew	-	-	0.03	0.03
	Ms. Radhika Madhukar Dudhat	-	-	0.45	0.45
	Mr. Debasis Bikash Nandy	-	-	0.58	0.58
	Ms. Pallavi Dinodia Gupta	-	-	0.50	0.50
		-	-	<b>1.71</b>	<b>1.71</b>
<b>6.</b>	<b>#Commission:</b>				
	Ms. Radhika Madhukar Dudhat	-	-	0.50	0.50
	Mr. Debasis Bikash Nandy	-	-	0.50	0.50
	Ms. Pallavi Dinodia Gupta	-	-	0.50	0.50
		-	-	<b>1.50</b>	<b>1.50</b>
<b>7.</b>	<b>Sale of Investments</b>				
	Aresko Progressive Private Limited	196.85	-	-	196.85
		<b>196.85</b>	-	-	<b>196.85</b>
<b>8</b>	<b>Share Based Payment Expenses</b>				
	Mr. Manish Gupta	-	-	61.91	61.91
		-	-	<b>61.91</b>	<b>61.91</b>



# Notes to the financial statements

for the year ended 31 March 2024

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

## 5. Outstanding balances with related parties as at 31 March 2023

S. No.	Particulars	Entities exercising significant influence over the Company	Enterprises in which certain directors are interested or are in common	Key management personnel	Total
<b>1.</b>	<b>Trade payables:</b>				
	Naari Pharma Private Limited	-	10.81	-	10.81
		-	<b>10.81</b>	-	<b>10.81</b>
<b>2</b>	<b>Trade receivables:</b>				
	Naari Pharma Private Limited	-	0.77	-	0.77
		-	<b>0.77</b>	-	<b>0.77</b>
<b>3</b>	<b>#Commission payable:</b>				
	Mr.Debasis Bikash Nandy	-	-	0.50	0.50
	Ms.Pallavi Dinodia Gupta	-	-	0.50	0.50
	Ms.Radhika Madhukar Dudhat	-	-	0.50	0.50
		-	-	<b>1.50</b>	<b>1.50</b>
<b>4</b>	<b>Equity share capital:</b>				
	Aresko Progressive Private Limited	26.67	-	-	26.67
	Infinity Holdings	33.07	-	-	33.07
		<b>59.74</b>	-	-	<b>59.74</b>

Breakup of remuneration to key management personnel were as follows:-

	For the year ended 31 March 2024	For the year ended 31 March 2023
Short-term employee benefits	36.00	23.01
Post employment benefits	2.56	3.92
Share based payment expense	85.72	61.91
	<b>124.28</b>	<b>88.84</b>

\* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

# Commission payable is subject to the approval of shareholders in the annual general meeting.

The Company's material related party transactions are at arm's length and in the ordinary course of business.

## 38. Segment information

The chief operating decision maker (CODM) examines the Company's performance from operational perspective and has identified the Pharmaceuticals business as single business segment. The Company is operating in India which constitutes a single geographical segment. All the assets of the Company are also located in India. Refer note 22.1 for revenue in primary geographical markets.

## 39. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt:

	As at 31 March 2024	As at 31 March 2023
Sales tax and value added tax demands (1)	58.13	57.80
Income tax (2)	3.07	3.07
Custom duty (3)	50.98	-

- (1) The sales tax and value added tax related matters are primarily related to levy of additional value added tax on account of procurement of material.
- (2) The income tax related contingent liabilities are primarily on account of dividend distribution tax and certain other items.
- (3) The customs related matters are primarily related to levy of additional duty by the authorities on imports on account of classification issue and involves substantial interpretation of law.

Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various stages/forums.

The Company believes that none of these matters, either individually or in aggregate, are expected to have any material impact on its financial statements.

## Notes to the financial statements

for the year ended 31 March 2024

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

### 40. Leases

(a) The details of the right-of-use assets held by Company is as follows:

	Depreciation charge		Net carrying amount	
	For the year ended		For the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Premises	11.57	3.50	83.92	59.28
<b>Total</b>	<b>11.57</b>	<b>3.50</b>	<b>83.92</b>	<b>59.28</b>

Additions to the right-of-use assets during the year ended 31 March 2024 were ₹ 35.73 million (31 March 2023: ₹ 60.45 million)

(b) Amount recognised in Statement of profit and loss:

	As at 31 March 2024	As at 31 March 2023
Interest on lease liabilities	7.77	2.78
Rent expense for short-term leases	9.13	18.31
<b>Total</b>	<b>16.90</b>	<b>21.09</b>

(c) Cash outflows for leases:

	As at 31 March 2024	As at 31 March 2023
Total cash outflow for long-term leases (inclusive of interest on lease liabilities)	14.10	3.22
Total cash outflow for short-term leases	9.13	18.31

(d) The Company has total commitment for short terms leases as at 31 March 2024 for ₹ 0.20 million (31 March 2023: ₹ 3.60 million).

(e) Information about extension and termination options as at 31 March 2024

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Building premises	2	5.22 to 7.44	6.35	2	-	2

Information about extension and termination options as at 31 March 2023

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Building premises	1	8.44	8.44	1	-	1

(f) The changes in the Company's lease liabilities arising from financing activities can be classified as follows:

	As at 31 March 2024	As at 31 March 2023
<b>Lease liabilities as at beginning of the year (current and non-current)</b>	<b>41.70</b>	-
Additions	35.73	60.45
Interest on lease liabilities	7.77	2.78
Payment of lease liabilities	(23.23)	(21.53)
<b>Lease liabilities as at end of the year (current and non-current)</b>	<b>61.97</b>	<b>41.70</b>

# Notes to the financial statements

for the year ended 31 March 2024

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## (g) Reconciliation of movements of borrowings and interest accrued to cash flows arising from financing activities

	As at 31 March 2024	As at 31 March 2023
<b>As at beginning of the year</b>	-	-
Movement due to cash transactions as per the statement of cash flows	(0.37)	(1.35)
Movement due to finance costs expensed	0.37	1.35
<b>As at end of the year</b>	-	-

## 41. Corporate Social Responsibility ("CSR") Expenditure:

- (i) Gross amount required to be spent by the Company during the year is ₹ 5.60 million (31 March 2023: ₹ 3.91 million)
- (ii) Amount approved by the Board to be spent during the year: ₹ 5.60 million (31 March 2023: ₹ 3.91 million)
- (iii) Amount spent during the year:

Particulars	Year ended on 31 March 2024		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	6.49	0.56	7.05
(ii) on purpose other than (i) above	0.72	-	0.72

Particulars	Year ended on 31 March 2023		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	1.74	2.17	3.91
(ii) on purpose other than (i) above	1.54	-	1.54

## (iv) Unspent amount as per Section 135(5) of the Act:

	As at 31 March 2024	As at 31 March 2023
Opening balance	2.17	1.54
Amount required to be spent during the year	5.60	3.91
Amount spent during the year	7.21	3.28
<b>Closing unspent balance carry forward to next year</b>	<b>0.56</b>	<b>2.17</b>

- (v) Total of previous year's shortfall: ₹ 2.17 million
- (vi) Reason for shortfall: Not applicable
- (vii) Nature of CSR activities: The CSR activity focus areas are health, education and livelihood to improve the quality of the life of the community around the business locations.
- (viii) Details of related party transactions: Not Applicable
- (ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: Not applicable

# Notes to the financial statements

for the year ended 31 March 2024

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

## 42. Employee stock option scheme

The Company has a stock option plan in place namely "Jagsonpal Pharmaceuticals Limited Employees Stock Option Plan 2022 ("JPL ESOP 2022")".

The Nomination and Remuneration Committee ('NRC' or 'Committee') of the Board of Directors ('Board') which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plan.

Under Plan 2022, up to 2,619,800 stock options can be issued to eligible directors and other specified categories of employees of the Company.

The details of share options are as follows:

Particulars	Plan 2022		
	Date of grant	Number of options	Exercise price(₹)
Grant-I	29 August 2022	4,20,000	235
Grant-II	16 September 2022	10,47,920	235
Grant-III	23 May 2023	3,04,000	284
Date of board approval of the relevant scheme	13 May 2022		
Date of shareholder's approval of the relevant scheme	17 June 2022		
Method of settlement (cash/equity)	Equity		

Vesting period	Options granted will vest in the manner decided by the committee and specified in the grant letter, and in any event no later than a period of 5 years from the grant date.
Exercise price	Exercise price shall not be higher than the market price (i.e. latest available closing price on a 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.
Vesting conditions	The criteria, which shall be determined by the NRC including, if so determined by NRC, either tenure based or performance based or a combination of the two, and the vesting period (which differ basis respective Optionee) will be specified in the option letter to be granted to respective optionee.

### Vesting schedule

S. No	Grant I, II and III % of options scheduled to vest	Vesting date
1.	25%	1 <sup>st</sup> year from date of grant
2.	25%	2 <sup>nd</sup> year from date of grant
3.	25%	3 <sup>rd</sup> year from date of grant
4.	25%	4 <sup>th</sup> year from date of grant

The movement in the stock options under "JPL ESOP 2022" during the year is set out below:

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Number of Options	Weighted average exercise price	Number of option	Weighted average exercise price
Outstanding at the beginning of the year	14,67,920	235.00	-	-
Granted during the year	3,04,000	284.00	14,67,920	235.00
Lapsed during the year	55,000	284.00	-	-
Exercised during the year	2,39,794	235.00	-	-
Outstanding at the end of the year	14,77,126	243.26	14,67,920	235.00
Exercisable at the end of the year	1,27,186	235.00	-	-



# Notes to the financial statements

for the year ended 31 March 2024

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

## Fair value of options granted:

The weighted average fair value of options granted during the year for Plan 2022 is ₹ 440.32 (31 March 2023: 594.52) per option. The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The weighted average share price on the date of exercise for Plan 2022 was ₹ 345.77 (31 March 2023: ₹ Nil).

## The following tables list the inputs to models used for fair valuation of the options:

	(Grant I and II)	(Grant III)
	Plan 2022	Plan 2022
Expected volatility	56.07%	49.65%
Risk free interest rate	7.13%	6.99%
Exercise price	235.00	284.00
Expected dividend yield	5.00	5.00
Expected life of options (years)	3 years	3 years

Expected volatility was based on an evaluation of the historical volatility of the share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

## Share options outstanding at the end of the year:

	31 March 2024			31 March 2023		
	Options Outstanding	Weighted average remaining contractual life (in years)	Exercise price	Options Outstanding	Weighted average remaining contractual life (in years)	Exercise price
<b>Options</b>						
JPL ESOP Plan 2022 - Grant I	3,58,800	3.60	235.00	4,20,000	3.85	235.00
JPL ESOP Plan 2022 - Grant II	8,69,326	3.62	235.00	10,47,920	3.87	235.00
JPL ESOP Plan 2022 - Grant III	2,49,000	3.79	284.00	-	-	-

## Expenses arising from equity-settled share-based payment transactions:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Expenses arising from equity-settled share-based payment transactions (refer note 27B)	133.10	87.65
<b>Total expense arising from share-based payment transactions recognized in statement of profit and loss</b>	<b>133.10</b>	<b>87.65</b>

\*Including expense arising on options granted to KMP's of ₹ 85.72 million (31 March 2023: ₹ 61.91 million)

# Notes to the financial statements

for the year ended 31 March 2024

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

## 43. Financial ratios\*:

S. No.	Particulars	Unit	Formulas		2023-24	2022-23	% Variance	Reason for variance
			Numerator	Denominator				
(a)	Current ratio	in times	Current assets	Current liabilities	10.42	5.97	74.53%	Increase is primarily due to assets classification
(b)	Debt equity ratio	in times	Net debts	Total equity	-	-	-	Not applicable
(c)	Debt service coverage ratio {Earning for debt service: Profit after tax + depreciation and amortisation expense + finance costs + exceptional items} {Debt service: Finance costs + scheduled principal repayments (excluding prepayments) during the period for non-current borrowings}	in times	Earning for debt service	Debt service	-	-	-	Not applicable
(d)	Return on equity ratio {Equity: Total assets - total liabilities, Average equity: Average of opening and closing equity}	in times	Profit after tax	Average total equity	0.12	0.17	-28.73%	Decrease is due to decrease in profit during the year due to decrease in business.
(e)	Inventory turnover ratio {Average inventory: Average of opening and closing inventories}	in times	Cost of goods sold	Average inventory	4.48	3.69	21.41%	Not applicable
(f)	Trade receivable turnover ratio {(Average trade receivable: Average of opening and closing trade receivables)}	in times	Revenue from operations	Average trade receivables	13.12	12.99	0.98%	Not applicable
(g)	Trade payable turnover ratio {Net purchases: Gross purchases - purchase return + other expenses net of CSR and donations} {Average trade payables: Average of opening and closing trade payables}	in times	Net purchases	Average trade payables	9.66	7.31	32.30%	Increase is due to decrease in trade payables during the year
(h)	Net capital turnover ratio {Working capital = Current assets - current liabilities}	in times	Revenue from operations	Working capital	1.16	1.73	-32.95%	Decrease is due to low sales volume during the year due to decrease in business.
(i)	Net profit ratio	in %	Profit for the year	Revenue from operations	10.76%	11.29%	-4.65%	Not applicable



# Notes to the financial statements

for the year ended 31 March 2024

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

S. No.	Particulars	Unit	Formulas		2023-24	2022-23	% Variance	Reason for variance
			Numerator	Denominator				
(j)	Return on capital employed {Earnings before tax and interest cost (EBIT): Profit before tax + finance costs + exceptional items} {Capital Employed: Total equity + long term borrowings + short term borrowings + deferred tax liabilities}	in %	Earning before tax and interest cost	Capital employed	15.09%	22.86%	-34.00%	Decrease is due to decrease in profit during the year due to decrease in business.
(k)	Return on investment {Return on investment: Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income} {Average investments: Average of opening and closing investments}	in %	Return on investments	Average investments	4.46%	-33.45%	113.33%	Increase is primarily due to fair value loss on investments during the year.

\*Financial ratios have been presented basis the guidance note on Division II - Ind AS Schedule III to the Act, issued by ICAI.

## 44. Exceptional items

	For the year ended 31 March 2024	For the year ended 31 March 2023
Impairment loss on property, plant and equipment (Refer note 1 below)	-	27.79
One-time ex-gratia to retiring employees (Refer note 2 below)	-	6.80
<b>Total exceptional loss</b>	<b>-</b>	<b>34.59</b>

### Note:

- During the previous year, the Company had assessed recoverability of certain property, plant and equipment and based on the best estimates as per available external and internal information, it has recorded an impairment of ₹ 27.79 million, which has been disclosed as an exceptional item.
- During the previous year, the Company had paid one-time ex-gratia to retiring employees amounting to ₹ 6.80 million, which has been disclosed as an exceptional item.

**45. (i)** The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (intermediaries) with the understanding that the intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (ultimate beneficiaries); or
- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**(ii)** The Company has not received any fund from any person or any entity, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the funding party (ultimate beneficiaries); or
- Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**46.** Subsequent to quarter end, on 16 May 2024, the Company has entered into a business transfer agreement for the purchase of India and Bhutan businesses of Yash Pharma Laboratories Private Limited. Such business acquisition gives Company access to Dermatology and Childcare segment and aligns well with strategic goal to broaden presence in the Indian market. The initial accounting for such business combination is currently incomplete at the time of authorisation of financial statements for the year ended 31 March 2024 and accordingly, the detailed disclosures are not presented.



## Notes to the financial statements

for the year ended 31 March 2024

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

- 47.** During the year ended 31 March 2024, the management of the Company suspected availability of counterfeit Indocap SR, one of the products of the Company in select territories. Subsequently, the Company lodged a First Information Report ('FIR') on 14 October 2023 regarding this matter with the Uttarakhand Police Department ('Police Department'). The Police Department acted quickly which led to discovery and closure of the factory where such counterfeit product was being manufactured along with the arrest of the accused (including an ex-employee of the Company). The Uttarakhand State Government ('Petitioner') has filed a criminal case with the fast-track court ('the Court') in Dehradun against the accused, and the state's legal counsel is representing the case before the Court. Based on the FIR, the Police Department has submitted the chargesheet on 11 January 2024. The Company is attending the Court proceeding as required, especially for presenting witness statements. The availability of counterfeit product impacted the sale of Indocap SR from the Company, however, the financial impact of this is not ascertainable.
- 48.** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023. During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was enabled from 01 January 2024 onwards for the accounting software used for maintenance of books of account. However the audit trail (edit log) feature at the application level were enabled and operated throughout the year.

### 49. Earnings per share

		For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for basic and diluted earnings per share of ₹ 5 each	₹ in million	224.63	267.21
Weighted average number of equity shares used in computing earning per share			
For basic earnings per share	Nos.	2,64,49,451	2,61,98,000
For diluted earnings per share*	Nos.	2,65,19,667	2,61,98,000
Earnings per equity share (face value of ₹ 5 each)			
Basic	₹	8.49	10.20
Diluted	₹	8.46	10.20

\*Employee stock options were potential equity instruments but in the previous year these have not been considered for calculation of diluted earnings per share as these are anti-dilutive in nature.

### 50. Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



# Notes to the financial statements

for the year ended 31 March 2024

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

- (v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vi) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- 51.** Previous year figures have been regrouped/ reclassified to conform to the current year's classification. The impact of such reclassification/regrouping is not material to the financial statements.

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

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

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

**Madhu Sudan Malpani**  
Partner  
Membership No.: 517440

**Manish Gupta**  
Managing Director  
DIN: 06805265

**Harsha Raghavan**  
Chairman & Non-Executive Director  
DIN: 01761512

Place: Gurugram  
Date: 20 May 2024

**Ashish Lakhotia**  
Chief Financial Officer

**Abhishek Joshi**  
Company Secretary

**JAGSONPAL PHARMACEUTICALS LIMITED****Regd. Office.** T-210 J, Shahpur Jat, New Delhi - 110 049

Phone: 0124 – 4406710

**Corporate Office:** 412-415, 3<sup>rd</sup> Floor, Nimai Tower Phase – IV

Sector -18 Gurugram – 122 015 Haryana

**Email:** cs@jagsonpal.com; **Website:** www.jagsonpal.com**CIN No.** L74899DL1978PLC009181

## Notice

**NOTICE** is hereby given that the 45<sup>th</sup> Annual General Meeting ('AGM') of the Members of **JAGSONPAL PHARMACEUTICALS LIMITED** will be held on Wednesday, September 18, 2024 at 03:30 p.m. (IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') to transact the following businesses:

### ORDINARY BUSINESS

**1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2024**

To receive, consider, approve and adopt:

- The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the reports of Board of Directors and Auditors thereon.

**2. Declaration of Dividend for the Financial Year ended March 31, 2024**

To declare a Dividend of ₹ 5.00 (Rupees Five only) - per equity share of face value of ₹ 5.00 - each for the Financial Year ended March 31, 2024.

**3. To appoint a director in place of Mr. Harsha Raghavan (DIN No. 01761512) who retires by rotation and being eligible, offers himself for reappointment.**

### SPECIAL BUSINESS

- Ratification of remuneration payable to M/s. Kirit Mehta & Co. Cost Accountants, Cost Auditors of the Company for the Financial Year ending March 31, 2025

**To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. Kirit Mehta & Co. Cost Accountants (Firm Registration No. 000353), who were appointed by the Board of Directors as Cost Auditors, to audit the cost records of the Company for the financial year ending March 31, 2025, amounting to ₹ 2,00,000/- p.a. (Rupees Two Lakh Only) inclusive of reimbursement of out-of-pocket expenses at actuals and excluding applicable taxes if any, incurred in connection with the audit, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary of the Company, be and are hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto."

**By the Order of the Board of Directors  
Jagsonpal pharmaceuticals limited**

**Abhishek Joshi  
Company Secretary & Compliance Officer  
Membership No. A61862**

**Date: August 07, 2024****Place: Gurugram**

**NOTES: -**

1. In view of the Continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/ 2021 dated December 8, 2021, General Circular No. 2/ 2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/ HO/ CFD/ CMD2/ CIR/ P/ 2022/ 62 dated May 13, 2022, Circular No. SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 05, 2023 and 'SEBI' Circular No. SEBI/HO/CFD/ CFD-PoD-2/P/CR/2023/167 dated October 07, 2023 (collectively referred to as "SEBI Circulars") have permitted companies to conduct AGM through Video Conferencing ("VC") or Other Audio Video Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred as "Listing Regulations") the 45<sup>th</sup> AGM of the Company is being convened and conducted through VC / OAVM. The Corporate Office of the Company shall be deemed to be the venue for the AGM.
2. A brief resume of Harsha Raghavan as proposed to be appointed/re-appointed at this AGM, nature of expertise in specific functional areas, names of companies in which they hold directorship and membership/ chairmanship of Board Committees, shareholding and relationship between directors interest as stipulated under Regulation 36 of the Listing Regulations and other requisite information as per Clause 12.5 of Secretarial Standards on General meetings (SS-2), are provided in '**Annexure A**'.
3. Attendance of the Members participating in the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) attending the meeting through their authorized representatives pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company, at least 48 hours prior to the start of e-voting, scanned copies of the following documents through email cs@jagsonpal.com.
  - a) a certified copy of the Board resolution authorizing their representatives
  - b) Photograph along with ID Proof of the Representative
5. Members are requested to intimate change, if any, in their address (with PIN Code), E-mail ID, nominations, bank details, mandate instructions, National Electronic Clearing Service ("NECS") mandates, etc. under the signature of the registered holder(s) to M/s MCS Share Transfer Agent Limited, Registrar and Transfer Agent ("RTA") of the Company (email id admin.mcsregistrars.com); or the Company and their respective Depository Participants.
6. The members who have not yet registered their e- mail ids with the Company may contact on (e-mail cs@jagsonpal.com) for registering their e- mail ids on or before the cut- off date fixed for entitling the members to cast their vote i.e., **Wednesday, September 11, 2024**.
7. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility.
8. As per the provisions of Section 72 of the Act and circulars issued by SEBI, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she should submit the request in ISR-3 or SH-14 as the case may be. The Forms can be downloaded from Company's website www.jagsonpal.com.  
  
Members are requested to submit the said details to their Depository Participant in case the shares are held by them in dematerialized form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.
9. The Notice of AGM and Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of Beneficial Owners received from the Depositories as on **Friday, August 16, 2024**.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company/ Registrar & Transfer Agents i.e., M/s MCS Share Transfer Agent Limited.
11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios; transmission and transposition. Accordingly, Company

/RTA shall issue a letter of confirmation in lieu of the share certificate while processing any of the aforesaid investor service request. Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the company's website at [www.jagsonpal.com](http://www.jagsonpal.com) and is also available on the website of the RTA at [www.mcsregistrars.com](http://www.mcsregistrars.com). It may be noted that any service request can be processed only after the folio is KYC Compliant. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or MCS, for assistance in this regard.

12. Members are hereby informed that pursuant to Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as may be amended from time to time (IEPF Rules), dividend which is remaining unpaid/unclaimed by shareholders for a period of seven consecutive years shall be transferred to IEPF. IEPF Rules mandate the companies to transfer the shares of members whose dividends remain unpaid/ unclaimed for a period of seven consecutive years, to the dematerialization account of IEPF Authority. The details of unclaimed dividends and its due dates for transfer to IEPF are available on the website of the Company. Members who have not claimed their dividend(s) so far in respect of the unclaimed dividend(s) and which is due for transfer to IEPF, are requested to write to the Company's R&T Agent, well in advance before the respective due dates. The Members whose dividend(s) and/or shares have been transferred to IEPF Authority can now claim their dividend(s) and/or shares from the IEPF Authority by following the 'Procedure to claim Refund' as detailed on the website of IEPF Authority [www.iepf.gov.in/IEPF/refund.html](http://www.iepf.gov.in/IEPF/refund.html). Unclaimed final equity dividend for the financial year 2015-16 is due for transfer to IEPF by December, 2024. Members are required to claim their unenacted dividend, if any, for the financial year 2016-17.
  13. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to corporate governance report which is a part of this Annual Report.
  14. Voting rights of the members (for voting through remote e-voting or e-voting system provide in the Meeting itself shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e., **Wednesday, September 11, 2024**. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e- voting system provide in the Meeting.
  15. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the depository. Members of the company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
  16. Queries on the Annual Report and operations of the Company, if any, may please be sent to the email [cs@jagsonpal.com](mailto:cs@jagsonpal.com) at least ten days prior to the date of the AGM so that so as to enable the management to keep the information ready for replying at the meeting.
  17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  18. Relevant documents referred to in the accompanying Notice and the Explanatory Statement pursuant to Section 102 of the Act shall be available for inspection through electronic mode. Members are requested to write to the Company at [cs@jagsonpal.com](mailto:cs@jagsonpal.com) for inspection of the said documents.
  19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and the Certificate from the Secretarial Auditors in respect of the Jagsonpal Pharmaceuticals Employee Stock Option Plan 2021 prescribed under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available for inspection by the members during the AGM by following the steps mentioned at note no. 17(d) "Step 1: Access to NSDL e-voting system". After successful login members will be able to view the documents for inspection by clicking on the link available against the EVEN (129878) of the company.
- 20. Voting through electronic means:**
- i. Pursuant to the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, applicable Secretarial Standards and Regulation 44 of the Listing Regulations, a member of the Company holding shares either in physical form or



in dematerialized form, shall exercise his/her right to vote by electronic means (e-voting) in respect of the resolution(s) contained in this notice. The Company has engaged NSDL to provide the facility of voting through electronic means to the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting.

- II. The facility of e-voting through the same portal provided by NSDL will be available during the Meeting through VC also to those Members who do not cast their votes by remote e-voting prior to the Meeting. Members, who cast their votes by remote e-voting, may attend the Meeting through VC but will not be entitled to cast their votes once again.
- III. The remote e-Voting period commences at **09:00 A.M. (IST) on Saturday, September 14, 2024 and ends at 05:00 P.M. (IST) on Tuesday, September 17, 2024.** During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date **Wednesday, September 11, 2024 ("Cut-off date")**, may cast their vote by remote e-Voting. No remote e-Voting shall be allowed beyond the aforesaid date and time and remote e-Voting module shall be disabled by NSDL upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date should treat this Notice for information purpose only.
- V. Any person, who acquire shares and become Member of the Company after the date of electronic dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, September 11, 2024 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if they are already registered with NSDL for remote e-voting then they can use their existing User ID and password to cast the vote.
- VI. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- VII. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders

(Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

- VIII. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- IX. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.jagsonpal.com](http://www.jagsonpal.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

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

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

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

The remote e-voting period begins on September 14, 2024 at 9:00 A.M. and ends on September 17, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 11, 2024 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 September 11, 2024.

#### **Step 1: Access to NSDL e-Voting system**

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

Pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="539 248 1468 566">1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li data-bbox="539 566 1468 667">2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="539 667 1468 1025">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li data-bbox="539 1025 1468 1350">4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="592 1115 991 1328" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>   </p> <div style="display: flex; justify-content: space-around;">   </div> </div> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="539 1357 1468 1514">1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li data-bbox="539 1514 1468 1738">2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li data-bbox="539 1738 1468 1850">3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li data-bbox="539 1850 1468 2040">4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period 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 option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

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



- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
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](http://www.evoting.nsdl.com).
    - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.



5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@jagsonpal.com. The same will be replied by the company suitably.
6. For ease of conduct, the Company is pleased to provide two way video conferencing facility to the Members who would like to express their views/ ask questions at the AGM. The Members may register themselves atleast seven (7) days in advance as a speaker by sending their request along with questions from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at cs@jagsonpal.com. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions at the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have queries regarding financial statements or other matters may send their queries seven (7) days before the AGM mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at cs@jagsonpal.com. These queries will be replied by the Company suitably by email cs@jagsonpal.com.
7. Members who need assistance before or during the AGM, can contact MCS Share Transfer Agent Limited on admin.mcsregistrars.com.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@jagsonpal.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@jagsonpal.com . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csmanishsohal@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to at evoting@nsdl.co.in
4. In case of any queries or grievances relating to e-Voting, you may contact Ms. Sarita Motte, Authorised Person, NSDL, Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India through e-mail at evoting@nsdl.co.in or on Toll Free No.: 1800-21-09911 or Ms. Meenakshi, Authorised Person, Skyline Financial Services Private Limited, D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi-110020., India through email at admin.mcsregistrars.com.
5. The Board of Directors has appointed Mr. Manish Kumar, Partner, Manish K & Associates, Practicing Company Secretary, has been appointed 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.

6. The Scrutinizer shall after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during the AGM and shall make, not later than 2 working days of the conclusion of the AGM, a consolidated 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 Scrutinizer's Report and declare the result of the voting forthwith.
7. The results of voting will be declared 2 working days from conclusion of the AGM prescribed under the Listing Regulations and the result declared along with the report of the Scrutinizer shall be placed on the website of the Company ([www.jagsonpal.com](http://www.jagsonpal.com)) and on the website of NSDL immediately after declaration of result by the Chairman or a person authorised by him and the result shall also be communicated to the Stock Exchange. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the AGM scheduled to be held on September 18, 2024.
- 8. Dividend related information**
- a) Final dividend for the financial year ended March 31, 2024, if approved by the members at the ensuing AGM, will be paid within 30 days from date of AGM to those members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e. **Friday, September 06, 2024**.
- b) Members holding shares in physical/demat form are hereby informed that the bank particulars registered with RTA or their respective DP, as the case may be, will be considered by the Company for payment of final dividend.
- c) Members holding shares in physical/demat form are required to submit their bank account details, if not already registered, as mandated by the SEBI.
- d) In case the Company's dividend banker is unable to process the final dividend to any member by electronic mode, due to non-availability of the details of the bank account or for any other valid reason whatsoever, the Company shall dispatch the dividend warrants/demand drafts to such Member by post.
- 9. TDS on dividend**
- a) As per the Income-tax Act, 1961, dividends paid or distributed by the Company after 1<sup>st</sup> April, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source ("TDS") at the prescribed rates from the dividend to be paid to the shareholders, subject to requisite approvals. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof.
- b) A separate email communication was sent to the members on informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents are available on the Company's website at [www.jagsonpal.com](http://www.jagsonpal.com).
- c) The resident and non-resident shareholders should send the scanned copies of the requisite documents to [cs@jagsonpal.com](mailto:cs@jagsonpal.com) **on or before September 06, 2024** to enable the Company to determine the appropriate TDS/withholding tax rate, as may be applicable. The resident individual shareholders also have an option to upload the exemption documents directly.
- d) Members are requested to note that in case the tax on dividend is deducted at a higher rate in absence of receipt of the requisite details/ documents, there would still be an option available to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.



### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102(1) of the Companies Act, 2013 ('Act'), the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 4 of the accompanying notice:

#### Item No. 4: Remuneration of Cost Auditor

The Board of Directors of the Company has appointed M/s. Kirit Mehta & Co. Cost Accountants as Cost Auditors of the Company to for the financial year ending March 31, 2025. Remuneration of ₹ 2,00,000 lakhs p.a. shall be payable to M/s. Kirit Mehta & Co. Cost Accountants as Cost Auditors of the Company for the financial year ending March 31, 2025, which was recommended by the Audit Committee to the Board of Directors and subsequently, was considered and approved by the Board of Directors.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

In this regard, the proposal is being placed before the members for the approval.

The Board of Directors recommends the resolution as set out in Item No. 4 for the approval of the members by way of ordinary resolution.

None of the Directors, Key Managerial Personnel, or their relatives, are in any way, concerned or interested, financially or otherwise, if any, in the proposed Ordinary Resolution as set out in Item No. 4 of this Notice.

**Relevant details pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India, is as given under:**

**Details of Mr. Harsha Raghavan, Director of the Company:**

Name of the Director	Mr. Harsha Raghavan
DIN	01761512
Age	52 years
Nationality	Indian
Date of first appointment on the Board	June 29, 2022
Brief resume, Qualification(s), Experience and Nature of expertise in specific function	<p>Harsha Raghavan is the Founder and Managing Partner of Convergent Finance LLP headquartered in Mumbai, India. Mr. Raghavan has been involved with the Indian private equity industry since 1996. He most recently served as the Founding Managing Director &amp; CEO of Fairbridge Capital Private Limited, the Indian investing entity of Fairfax Financial Holdings, from 2009 to 2018. He was also Head of India for Candover Investments, Co-Head of India for Goldman Sachs Principal Investment Area and Vice President of Indocean Chase Capital. Mr. Raghavan has experience investing over \$3.0 billion across multiple continents, with a track record of value creation through intensive engagement with portfolio companies.</p> <p>At Fairbridge, Mr. Raghavan was responsible for all capital allocation decisions and led the investment of more than \$2.1 billion, a figure that rose by over 2.6x to \$5.5 billion in a seven-year period. Portfolio companies leveraged Mr. Raghavan's operational expertise and global networks to meet their strategic objectives, including mergers and acquisitions, business expansions, and board appointments. Mr. Raghavan holds a Master of Business Administration degree and Master of Science degree in industrial engineering both from Stanford University and a Bachelor of Arts degree from the University of California at Berkeley, where he double-majored in computer science and economics.</p>
Terms and conditions of appointment or Reappointment	Liabile to retire by rotation
Details of remuneration sought to be paid and remuneration last drawn	Nil
Shareholding in Jagsonpal Pharmaceuticals Limited as at the date of notice	Nil
Relationship with other directors, Managers and Key Managerial Personnel of the Company	N.A.
Number of Board & Committee Meetings attended during the FY 2022-23	<p>Board Meetings: 4 out 4</p> <p>Audit Committee: 4 out 4</p> <p>Risk Management Committee: 2 out 2</p>
Membership/Chairmanship of the Committees of Jagsonpal Pharmaceuticals Limited	Member – Audit Committee Risk Management Committee
Details of Directorship	<ol style="list-style-type: none"> <li>1. Just Udo Aviation Private Limited</li> <li>2. Agilitas Sports Private Limited</li> <li>3. Camlin Fine Sciences Limited</li> <li>4. Onward Technologies Limited</li> <li>5. Jagsonpal Pharmaceuticals Limited</li> </ol>







## **Jagsonpal Pharmaceuticals Limited**

Regd. Office: T-210 J, Shahpur Jat, New Delhi – 110 049 (INDIA)

Corporate Office: Nimai Tower, 3rd Floor, Plot No. 412-415,  
Phase - IV, Udyog Vihar, Gurugram - 122 015, Haryana, (India)

Phone No.: +91 124 4406710