



# Building a Healthier Bharat

Affordability, Quality and Accessibility in Action



## Market leadership\*

**#1**

Rank in prescriptions over the last 6 years

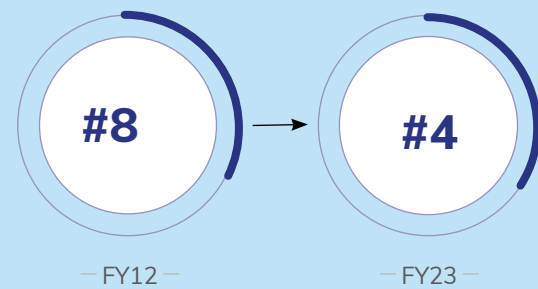
**#3**

Rank by volumes in FY23

**2.2X**

Average volume growth from FY18 to FY23 vs IPM

## Rank by Value



## Scale of operations

**INR 8,749 crore**

Revenue

**INR 1,913 crore**

EBITDA

**INR 1,310 crore**

PAT

**INR 40.4**

Cash EPS

**INR 1,813 crore**

Cash Flow From Operations

**#2**

Rank in Covered Market (CVM) in FY23

**4**

Consumer Healthcare brands ranked #1 in their categories

**Youngest**

in the Top 5 of the IPM

**97%**

Domestic revenue

**15,000+**

Field force  
(including field managers)

**13,000+**

Stockists

**20 brand families**

Worth over INR 100 crore

\*Source: IQVIA MAT March 23



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For more information, scan the QR code or visit our website

<https://www.mankindpharma.com>

## Forward-Looking Statements

The statements may contain forward-looking statements like the words 'believe', 'expect', 'anticipate', 'intend', 'plan', 'estimate', 'project', 'will', 'may', 'targeting' and similar expressions regarding the financial position, business strategy, plans, targets and objectives of the Company. Such forward-looking statements involve known and unknown risks which may cause actual results, performance or achievements to be materially different from results or achievements expressed or implied. The risks and uncertainties inter-alia, relating to these statements include (i) cash flow projections, (ii) industry and market conditions; (iii) ability to manage growth; (iv) competition; (v) government policies and regulations; (vi) obtaining regulatory approvals; (vii) domestic & international economic conditions such as interest rate & currency exchange fluctuations; (viii) political, economic, legal and social conditions in India/ elsewhere; (ix) technological advances; (x) claims and concerns about product safety and efficacy; (xi) domestic and foreign healthcare reforms; (xii) inability to build production capacity; (xiii) unavailability of raw materials and failure to gain market acceptance.

The Company shall not have any responsibility or liability whatsoever for any loss howsoever arising from this report or its contents or otherwise arising in connection therewith.





Accelerated urbanisation, growing income levels, rapid growth of infrastructure and aspirations for a better quality of life are blurring the thin lines that separate India from Bharat.

At Mankind, we believe that we are participating in the accelerated change in the heart of India through our core values of Affordability, Quality and Accessibility backed by our strong in-house manufacturing and R&D capabilities. Our belief is that our domestic focused strategy allows us to leverage this transition quickly, as we already have a significant share of domestic sales coming from Tier II-IV cities and rural markets. This is reflected in our strong growth trajectory, our expansive distribution coverage and strong brand presence across the country.

Our aim is to further increase our covered market presence and strengthen our market position. In addition to consolidating presence in our existing markets, we are pursuing opportunities in the chronic segment, where we seek to grow our presence. This leadership in the chronic segment is likely to translate into higher margins and more sustainable revenues, going ahead.

Ever since inception, we have been market disruptors in terms of pricing, product design with patient's convenience in mind, building and scaling brands, and pan-India market footprint. This year saw the commencement of the next phase of our journey with the resounding success of our maiden IPO and we are overwhelmed with the support and trust we have received from the regulators and the esteemed investing community.

We are fast-tracking a strategic blend of organic and inorganic modes of expansion to meet the growing needs of society to create value for all stakeholders.



## About Mankind Pharma

# Driven by Affordability, Quality and Accessibility at the Core



**With a strong focus on marketing backed by research and development, innovation and customer-centricity, Mankind has emerged as one of the fastest-growing companies in the Indian Pharmaceutical Market (IPM).**

We operate at the intersection of the domestic formulations and consumer healthcare sectors with a range of leading brands that address diverse consumer needs.

We are a domestic focused Company with 97% of our revenues coming from India, one of the fastest growing Pharma markets globally. This also provides earnings stability given the lower regulatory pressures, and lower capital intensity as compared to other markets. Our success is driven by a strong portfolio of brands that have played a pivotal role in our journey and have enabled us to consistently grow faster than the IPM. With a relentless focus on delivering high-quality healthcare products and services, our brands have become synonymous with trust, efficacy, and innovation. Since our foray into the Consumer Healthcare Business in 2007, we have established strong brand recall and market leadership in condoms, emergency contraceptives, pregnancy tests, VMN (Vitamins, Minerals and Nutrients), antacids and anti-acne preparations segments.

Our pan-India market and distribution network is one of the largest, helping us to make our products affordable as well as accessible to customers in different parts of the country. Our volume led-growth is more sustainable and has led us to consistently outperform the IPM and increase our market share. Through strategic investments in research and development, state-of-the-art manufacturing capabilities, and an unwavering dedication to customer centricity, we have successfully expanded our customer offerings with best-in-class quality.

Our initial bottom up approach has created a household name for Mankind in Tier II-IV and rural markets and we are now moving up the value chain by expanding our presence in Metros and Tier I towns. This is being led by focused approach to expand chronic presence.

We strongly believe in the principles of sustainability and have incorporated them in our business operations by minimising our environmental footprint, empowering our workforce and local communities and implementing a robust corporate governance culture.



### Vision

To be an innovative pharmaceutical Company, most admired for its Affordability, Quality, and Accessibility of products.

#### Domestic Focus

We are primarily a domestic-focused Company.

#### Widely Recognised

We are respected and recognised by our patients, employees and our competitors for delivering world-class products while maintaining our patient centricity, values and ethics.

#### Affordability

We provide cost-effective and innovative healthcare solutions.

#### Quality

We believe in providing superior quality products to our customers.

#### Innovation

We strive to continuously innovate and deliver medications that meet the growing needs of society.

#### Accessibility

Our products are available across the length and breadth of the market we operate.



### Mission

To be able to provide cost-effective, innovation based superior quality pharmaceutical products that improve the lives of the patients.

#### Purpose

We aim at providing high-quality pharmaceutical products at affordable prices which help our patients in leading healthier lives.

#### Value

We believe in innovation, and maintaining superior quality of products is our top priority.

#### Reach

Our pan-India presence makes pharmaceutical products available to all.

#### Business

We strive to deliver the best quality pharmaceutical products to all sections of the society.

#### Customer

Our customer-centric approach makes us deliver top quality medicines at affordable prices to people who need them the most.



## OUR PHILOSOPHY

### AFFORDABILITY

We deliver affordable medication that meets various medical needs.

### QUALITY

We endeavour to achieve the best quality standards in the pharmaceutical industry in India.

### ACCESSIBILITY

More than 50% of India's total population resides in villages, making access to medicines out of reach.

### Expanding a PAN-INDIA footprint

**25**   
Manufacturing facilities

**6**   
R & D facilities

**13,000+**   
Stockists



# 10 Years Business Highlights

## Mankind: key performance highlights

Key Therapeutic Segments	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Value Growth YoY in IPM (%)	7.3	19.3	24.2	9.8	11.3	12.6	12.5	11.1	17.7	10.6
Market Share by Value in IPM (%)	3.3	3.5	3.8	3.8	3.9	4.0	4.1	4.3	4.3	4.4
Market Ranking by Value in IPM (x)	7	5	4	4	4	4	4	4	4	4
Covered Market Share in total IPM (%)	64.6	64.1	64.8	63.5	60.2	61.6	62.4	62.2	65.4	68.1
Market Share in Covered Market (%)	5.1	5.5	5.8	5.9	6.6	6.5	6.5	6.9	6.6	6.5
Covered Market Rank (x)	3	2	2	2	2	2	2	2	2	2
Volume Share in IPM (%)	3.9	4.3	4.7	4.4	4.8	5.1	5.2	5.7	5.5	5.7
Market Ranking by Volume in IPM (x)	6	6	5	5	5	3	3	3	3	3
Chronic Share in total portfolio (%)	19.6	20.4	25.3	26.7	27.9	31.9	32.2	34.1	32.9	33.9
Chronic Growth YoY (%)	14.6	23.8	53.9	16.0	16.4	28.6	13.5	17.6	13.6	14.1
Metro & Class 1 Share (%)	NA	51.6	50.3	50.7	49.9	49.2	48.1	51.8	52.9	53.2

## Share of key therapeutic segments in mankind portfolio - sales mix (%)

Key Therapeutic Segments	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Anti-Infectives	24.3	22.0	19.6	19.0	17.7	15.8	15.9	13.2	14.7	15.0
Cardiac	7.1	7.6	8.5	9.3	10.1	10.8	11.5	12.6	12.1	12.8
Gastro Intestinal	12.0	12.1	13.1	12.7	12.3	11.5	11.4	11.3	10.9	10.8
Respiratory	6.4	6.8	6.6	6.5	7.6	8.0	8.7	7.2	9.7	9.5
Pain / Analgesics	5.9	6.2	6.3	6.3	6.0	6.4	6.1	5.4	5.4	5.0
Anti Diabetic	4.3	4.5	4.9	5.7	6.3	7.7	7.5	8.7	8.3	8.2
Vitamins/Minerals/Nutrients	7.7	9.2	10.8	10.7	10.6	9.8	9.5	10.3	9.5	8.5
Dermatology	5.3	6.2	7.1	8.2	9.1	9.0	8.4	8.6	7.4	6.1
Gynaecology	8.0	7.3	6.1	5.4	4.8	5.0	5.1	6.5	6.7	7.7
Neuro / CNS	4.4	4.3	3.1	2.8	2.7	2.9	2.9	3.2	2.9	2.6

Source: IQVIA

## Mankind share (%) of key therapeutic segments (on covered market basis)

Key Therapeutic Segments	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Anti-Infectives	6.8	6.9	7.2	7.6	8.5	8.0	7.7	8.4	7.1	6.8
Cardiac	2.9	3.3	3.9	4.4	5.2	5.4	5.9	6.1	6.3	6.4
Gastro Intestinal	5.2	5.3	5.6	5.5	6.1	5.7	5.9	5.9	5.8	5.7
Respiratory	4.1	4.6	4.9	4.7	5.8	5.8	6.1	6.2	6.2	6.0
Pain / Analgesics	3.1	3.4	3.8	4.0	4.3	4.6	4.5	4.4	4.1	3.7
Anti Diabetic	3.6	4.0	4.5	5.0	5.6	6.7	5.9	6.7	6.7	6.2
Vitamins/Minerals/Nutrients	5.1	6.7	7.4	7.3	7.6	7.1	6.9	7.6	6.9	6.5
Dermatology	5.5	6.5	7.8	7.6	8.0	7.6	7.2	7.9	7.1	6.5
Gynaecology	7.1	6.8	6.5	6.0	5.9	5.8	5.7	7.6	9.2	8.9
Neuro / CNS	4.2	4.5	3.3	3.1	4.0	4.2	5.3	6.3	4.3	4.1

## Mankind rank in key therapeutic segments (on covered market basis)

Key Therapeutic Segments	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Anti-Infectives	6	6	5	5	3	3	3	3	4	4
Cardiac	14	13	10	7	7	6	4	5	5	4
Gastro Intestinal	5	4	4	4	4	4	4	4	4	5
Respiratory	6	4	4	6	3	4	3	3	3	3
Pain / Analgesics	10	7	7	7	4	4	5	4	6	8
Anti Diabetic	10	10	7	5	4	3	3	3	3	3
Vitamins/Minerals/Nutrients	3	2	2	2	2	1	1	1	2	2
Dermatology	6	4	2	2	2	2	2	1	1	2
Gynaecology	4	4	4	4	4	3	4	3	2	2
Neuro / CNS	7	6	7	7	5	5	5	4	5	5

Source: IQVIA



# Key Milestones



1995

Commencement of operations



2004

Forayed into the **chronic** pharmaceutical segment



2007-10

Entered **consumer healthcare** by launching 'Manforce' and 'Prega News' brands



2015

Incorporated subsidiary, Lifestar Pharma LLC, in the US and subsidiary in Singapore.



2012

Setup our first **R&D** centre at IMT Manesar, Haryana

2018-19

- Paonta Sahib facility was inspected by the **USFDA** for the first time
- First Indian Company to launch '**Dydrogesterone**'



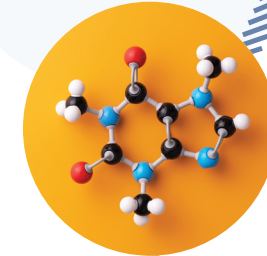
2020

Launched **speciality therapeutic divisions** for cardiovascular diseases and diabetes



2022

- Acquired **pharmaceutical formulations brands** in India and Nepal from Panacea Biotec Pharma Limited and Panacea Biotec Limited
- Entered the **Transplant and oncology** segment
- Acquired the brands '**Daffy**' and '**Combihale**' from Dr Reddy's Laboratories
- Launched **in-licensed product** Neptaz (sacubitril/valsartan)



2021

Launched **Speciality therapeutic divisions** for respiratory and neuro/central nervous system



2023

- Successfully listed on NSE and BSE
- 101 SKUs** added in **12 months** for International DMF Quality API products



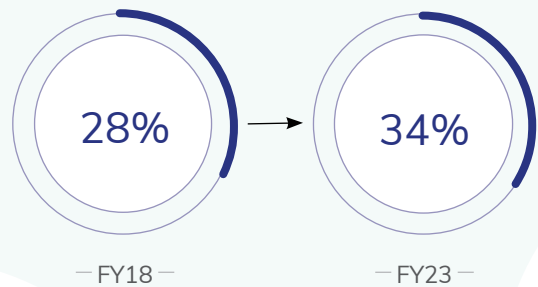


# Mankind's Pillars of Growth

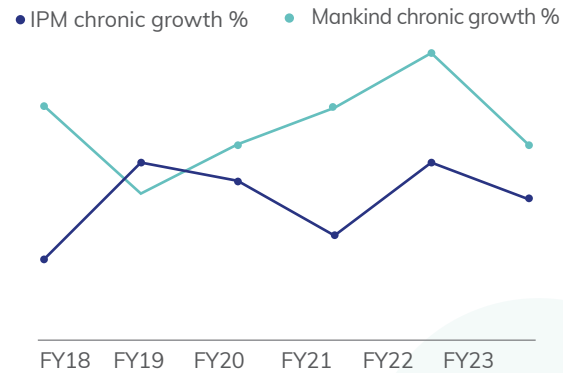


## Chronic Focus – Chronic Segment has a higher price realization and lifetime value

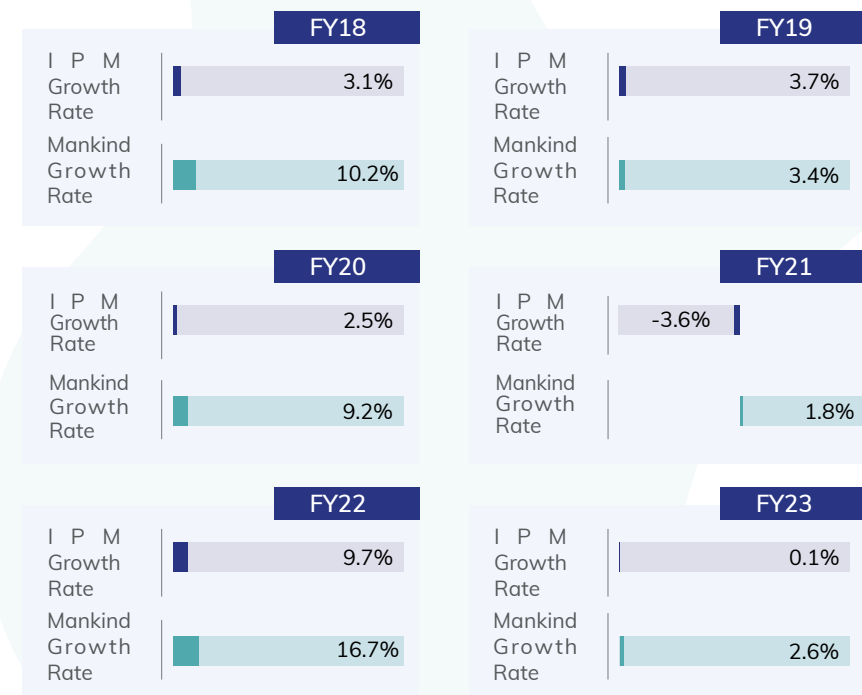
**Consistent focus to increase chronic share**  
Share of Chronic in total portfolio



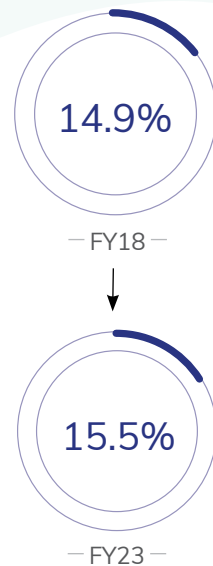
**Significant outperformance to IPM chronic growth**



## Volume Focus - Volume driven growth with increasing reach



**Consistent increase in prescription share**



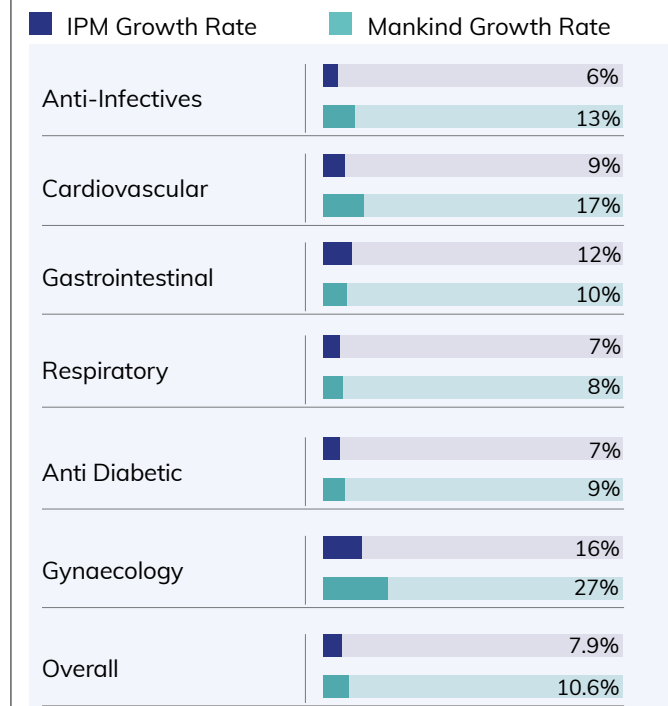
Source: IQVIA MAT March 23

## Diversified portfolio-de-risked strategy across fast growing segments

**High ranks across acute and chronic areas**

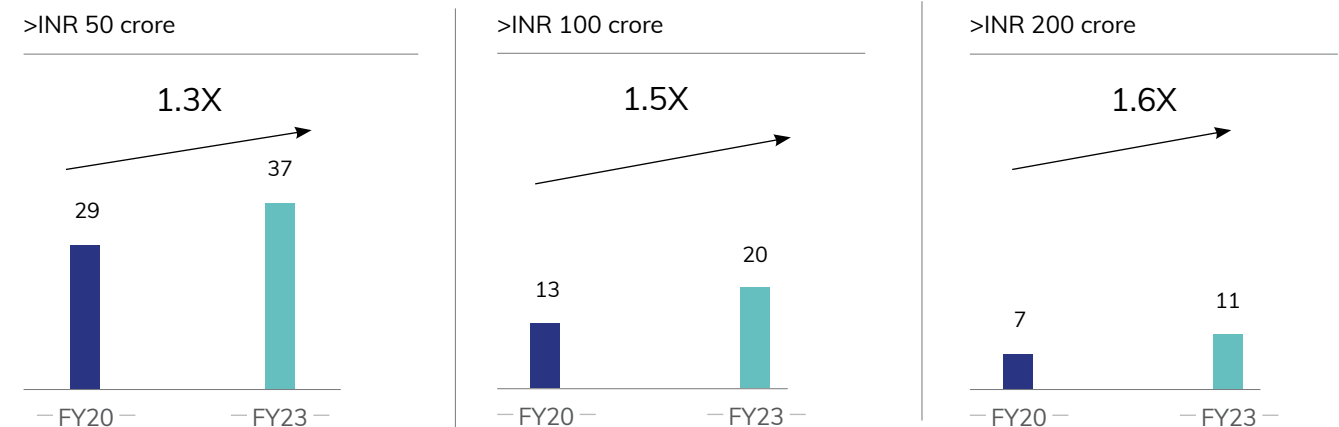
Therapy Areas	Rank in CVM	Market Share in IPM
Anti-Infectives	4	5.7%
Cardiovascular	4	4.6%
Gastrointestinal	5	4.5%
Respiratory	3	4.8%
Anti Diabetic	3	3.9%
Gynaecology	2	6.7%
Overall	2	4.4%

**Growth outperformance in key therapeutic segments**



## Brand Focus – Focus on creating Scale Brands

**₹100+ crore brands families have increased from 13 in FY20 to 20 in FY23**



Source: IQVIA MAT March 23



## Chairman and Vice Chairman's Message



**Ramesh Juneja**  
Chairman and Whole-Time Director

### Dear Shareholders,

Welcome to the Mankind Family. It is our privilege to share with you our maiden annual report following the successful initial public offering and subsequent listing on the stock exchanges. We sincerely thank all our investors and shareholders for placing their invaluable faith in our vision and capabilities.

At Mankind, we are playing our part in building a healthier Bharat with Affordability, Quality and Accessibility backed by our strong in-house manufacturing and R&D capabilities. We look forward to the support of all our stakeholders to partner with us in this eventful and exciting journey.

#### Our core ethos

At our core, we are an India-focused Company, with 97% of our revenues contributed by domestic operations. We strongly believe that our country offers a huge opportunity for growth, with favourable demographics, rising urbanisation, growing disposable incomes and an enhanced focus on the health and safety of our people. India today is one of the fastest growing economies in the world and the opportunities present in this country are unmatched and limitless. Mankind is well-positioned to benefit from this long runway of transformation.

In our heart, we are a Company for Bharat. Bharat, in our view, represents the vast majority of the country which resides in the country's smaller towns and villages. This is reflected in our very origins, from the time we started the business 28 years ago from Meerut, Uttar Pradesh. We have always believed in disrupting the market, charting our own course rather than following others. Clearly, the ongoing mission is to be differentiated in our stakeholder engagements, be it through innovative fixed drug combinations, calibrated market launches, focused doctor engagements or with affordable price points.

This bottom-up approach has stood the test of time and from 8th rank in IPM in 2012, today we have emerged as the 4th largest player by value in the Indian pharmaceutical market and #1 in terms of prescriptions over the last 6 years. We are also the youngest constituent in the top 5 of the IPM to have achieved this landmark. These achievements have been largely organic, unlike some of our peers who have reached such scale through acquisitions. Our success is backed by one of the largest doctor coverage of more than 4 lakh doctors, an extensive distribution network in the country comprising more than 13,000 stockists and a 15,000-strong field force providing deep and wide on ground visibility to our products.

#### Emerging opportunities

In our DNA, we are also a unique consumer healthcare Company. We operate at the intersection of the Indian pharmaceutical formulations and consumer healthcare sectors with the launch of our Consumer Healthcare Business in 2007. This business has been built from scratch in sexual wellness and other healthcare categories and launched several differentiated products like Manforce Condoms, Prega News, Unwanted 72 and Acnestar which are market leaders in their categories. We have invested significant effort and resources to build Corporate Brand Mankind, which creates substantial synergy benefits across both pharma and consumer verticals. We plan to leverage our brand dominance to grow our Consumer Healthcare Business, going ahead.

At a strategic level, we have always been disruptive and continue to dynamically address every opportunity. Our brand ethos revolves around the well-being of every Indian and we firmly believe that high quality healthcare should be accessible to all. It is our enduring commitment to millions of Indian citizens to bring to them medications of international quality at prices that are affordable. By introducing a range of medicines with High Quality USFDA approved Drug Master File (DMF) grade API, we are poised to revolutionise India's pharmaceutical sector and contribute to the overall health and happiness of our people.

The thin line that traditionally separated Bharat and India is blurring, as Tier II-IV cities and smaller towns aspire for a better quality of life. We see new opportunities to engage with doctors in these markets, thereby increasing our market share of prescriptions. Further, we are focused on increasing our presence in more profitable chronic therapeutic areas. These segments have a stronger growth profile given the rising prevalence of chronic diseases due to lifestyle changes and rising income levels in India. This will require a more top-down approach, with focus on widening our footprint in Metro and Tier I cities. We have launched various dedicated specialty divisions in the past few years which have a focus on chronic segments like cardiovascular, diabetes, respiratory and CNS. We have acquired brands from Panacea Biotec which provided us an entry into niche segments like transplant. We have successfully started in-licensing products like Neptaz from Novartis (sacubitril / valsartan). All this has led to the chronic share increasing to 34% in FY23 from around 28% in FY18 and we expect this to further increase, going ahead.

#### Financial review and outlook

In FY23, the Indian Pharma industry witnessed a normalised year after the last two years being impacted by COVID, which moderated the overall growth rates for the industry. In this context, we are happy to share that the Company reported revenues from operations of INR 8,749 crore. Revenue growth was 12% YoY which is significantly higher than the IPM growth of 7.9%. EBITDA stood at INR



**Our success is backed by 4 lakh+ Doctors coverage, 13,000+ Stockists and 15,000+ Field Force**

1,913 crore, with an operating margin of 21.9%. Cash Flow from Operations were at INR 1,813 crore with Capex of INR 832 crore.

We are confident that we will achieve an operating margin band of 24% to 26% in the medium term, while consistently outperforming the IPM.

#### Sustainability at the core

At Mankind, we are dedicated to using resources for the greater good of humanity and our commitment to sustainability and corporate social responsibility remains as strong as ever. Executing on our CSR vision and objectives, based on sustainable interventions, has ensured holistic development of the communities we operate in. As responsible corporate citizens, it is our purpose to play an active

part in protecting the planet and the environment for future generations.

We have embarked upon FY24 with significant momentum. In the Pharma Business, we look to increasing our share of chronic segment by growing presence in existing therapies like Insulin Glargine and expansion into new therapies vis. Respiratory, CNS, Transplant through both organic and inorganic investments. In our R&D we are also focusing on bio-similars and new drug delivery systems to provide innovative healthcare solutions to patients. Panacea has been successfully integrated and we expect strong double digit growth in key brands going forward. In Consumer Healthcare, we will continue to strengthen our key brands. Our aspiration is that Mankind becomes the most admired institution in India.

On behalf of the Board, the Management Team and the entire Mankind family, we thank all our stakeholders for investing in our sustainable growth story.

With warm regards,

**Ramesh Juneja**  
Chairman and Whole-Time Director

**Rajeev Juneja**  
Vice Chairman and Managing Director



**Rajeev Juneja**  
Vice Chairman and Managing Director



## Chief Executive Officer's Message



**Sheetal Arora**

Chief Executive Officer and  
Whole-time Director

## Dear Shareholders,

Mankind is a unique Company, with a domestic focused pharma business of scale and a differentiated consumer healthcare franchise with several market leading brands. Our core philosophy is 'Affordability, Quality and Accessibility' and this has been the foundation on which the success of the Company has been built.

Mankind has consistently outperformed IPM growth by 30% to 50%, which has helped the Company reach a market rank of 4th in value terms in FY23 as compared to 8th in FY12. This outperformance has been led by generating higher volumes through prescriptions. Our volume growth has been 2.2X that of the IPM between FY18 to FY23. This success is attributed to our expansive distribution network, large field force, and strong presence among doctors. Our position as an industry leader, with underlying volume growth represents a higher quality of business as it is backed by greater contribution from prescriptions that make it more sustainable in the future as well.

We are also very laser-focused on marketing initiatives and creating brands. Within the universe of our scaled brands, 37 brand families have achieved revenues of more than INR 50 crore, of which 11 brand families have gone past the INR 200 crore revenue milestone in FY23. This is against 29 brand families with revenues exceeding INR 50 crore and 7 exceeding INR 200 crore in FY20. Notably, 19 of our top 20 bestselling brands rank among the three highest-selling brands in their respective molecule groups. Further, 22 of our brands are among the 300 highest-selling brands in the IPM. Mankind is one of the youngest to have built such a large number brands of scale in the Indian pharma sector. In addition, we have invested in building a strong corporate identity with strategically selected national and regional brand ambassadors who reflect our core values and accentuate our brand recall. We believe that this creates synergistic benefits across both pharma and consumer healthcare segments.

Expanding our presence in chronic segments is a critical component of our business plan. We have launched several dedicated specialty divisions in the past few years, largely skewed towards the chronic therapeutic segments. Also as a part of this strategy, we acquired Panacea's domestic formulations business in March last year and successfully integrated it with our business in FY23. I am happy to share that our chronic segment has maintained its growth trajectory, growing 14% in FY23. Chronic therapy segments now has a share of 34%, up from 28% in FY18.

At Mankind, one of our key strategies is to launch unique products, and in-licensing partnerships are intrinsic to developing the portfolio. A striking example of the outstanding results achieved in this space is our in-licensed product, Neptaz (sacubitril/valsartan). Used in the treatment of heart failure, Neptaz received an outstanding response following its launch in May, 2022 and was ranked the second-best new product launch in India for FY23, according to IQVIA.

Reflecting effective scale up in resource utilisation, our PCPM has steadily increased from INR 5.5 lakh in FY21 to INR 6 lakh in FY23. This is despite a substantial increase in our field force coverage over the last three years especially from dedicated specialty divisions. While most of our older divisions have maintained a high PCPM, the overall PCPM is affected by the lower productivity in these new dedicated specialty divisions. With our investments across new therapeutic segments gaining traction, we see enormous opportunity to improve our PCPM, which should deliver operating leverage in the future.

### Financial performance

Revenue from Operations stood at INR 8,749 crore up by 12% YoY. In our Pharma business, secondary sales grew 11% YoY versus the IPM growth of 7.9% YoY, registering an outperformance of 1.3X the IPM during the year. Our volume growth reached 2.6% YoY, vis-a-vis flat volumes in the IPM. Our prescription share has increased from 11.8% in FY14 to 15.5% in FY23 which is the highest in the industry. Our Consumer Healthcare Business maintained its strong growth trajectory with revenues of INR 692 crore, up by 17% YoY.

EBITDA stood at INR 1,913 crore, with a margin of 21.9%. In FY23, our margins contracted by 390 basis points, bearing the impact of higher API costs in the first half of the year, apart from higher employee expenses following the absorption of the resources acquired from Panacea and certain one-off cost from the Panacea business integration. In parallel, we have undertaken various cost and productivity improvement measures and remain confident margins will revert to the band of 24% to 26% in the medium term, while our growth continues at 1.3X to 1.4X IPM growth.

Profit After Tax (PAT) stood at INR 1,310 crore with Earnings Per Share of INR 32 (FV INR 1). Capital expenditure of

INR 832 crore was incurred during the year, more than adequately covered by Cash Flow from Operations of INR 1,813 crore.

### Future strategy

While our performance over the past year has been encouraging, we move into the current year with confidence in our ability to maintain outperformance over the Indian Pharmaceutical Market (IPM). This will be led by increased share of revenues from chronic segments, especially in Metro and Tier I cities.

The strategy to increase chronic share is multi-pronged. We have recently launched a range of chronic medicines aimed at providing international-grade, premium-quality drugs of the highest purity at Indian prices. These medicines have the same Active Pharmaceutical Ingredient (API) quality as the APIs in Drug Master Files (DMFs) submitted to USFDA. This reaffirms our unwavering dedication to 'Affordability, Quality and Accessibility', while making a contribution in building a healthier Bharat.

In addition, we are looking at launching products that enhance the portfolio in white spaces within existing therapy segments such as anti-diabetes, cardiovascular, CNS, respiratory, among others. These launches will be backed by best-in-industry customer coverage of doctors, stockists and chemists and by innovative product and marketing techniques. Mankind is also planning to expand into new therapeutic segments such as urology, oncology, transplants and more. These initiatives will be complemented by an aggressive in-licensing strategy and opportunistic acquisitions in the chronic segment. We plan to engage key opinion leaders in the healthcare industry as well as corporate hospitals through a dedicated team of regional medical advisors that will seek to foster collaborative relationships across Metro and Tier I cities.



**Profit After Tax (PAT)  
stood at INR 1,310  
crore with Earnings  
Per Share of INR 32.**

Our differentiated Consumer Healthcare Business has created marquee brands with leadership positions in their relevant categories and consistent market share gains over the years. We are confident that we will sustain a strong double-digit growth in this segment, going forward.

At Mankind, we aim to be more than just a Company that sells products. We want to collaborate with physicians and patients to manage disease. We are excited to make our ecosystem omnipresent for our stakeholders, now that we have our digital offerings in place.

As I conclude, I would like to take this opportunity to thank our doctors, chemists and patients, who continue to place their trust in us. Guided by our immutable philosophy of 'Serving Life', we look forward to uncover new opportunities that further cement our market presence.

With warm regards,

**Sheetal Arora**

Chief Executive Officer and  
Whole-time Director



## Chief Operating Officer's Message



**Arjun Juneja**  
Chief Operating Officer

### Dear Shareholders,

At Mankind, we are driven by the spirit of serving every Indian, with a commitment to healthcare innovation. This is backed by strong in-house manufacturing and R&D capabilities.

We have been improving the standards of pharmaceutical excellence, assuring the greatest healthcare solutions for every Indian, with our core value proposition of Affordability, Quality and Accessibility.

Looking back on the fiscal year, global supply chains were significantly impacted during the first 6 months of the fiscal year due to the geopolitical crisis triggered by the Russia-Ukraine war and also by extreme COVID measures taken by China. This led to a sharp increase in API costs during this period. While we took proactive measures to mitigate some of these risks, these events had an impact on our profitability during this period. Despite these headwinds, we continued to show resilience as we navigated our way through these challenges with proactive planning and remained in good operational and strategic condition.

Our relentless focus on strengthening our core and optimising our manufacturing network has yielded positive results. Today, we operate 25 state-of-the-art manufacturing facilities. Our formulation manufacturing sites have a total installed capacity of 42 billion units annually, across a wide range of dosage forms, including tablets, capsules, syrups, vials, ampoules, blow-fill seals, soft and hard gels, eye drops, contraceptives and other over-the-counter products.

The Company's competitive advantage lies in the fact that we manufacture 75% of our products in-house, giving us more control over quality, delivery timelines, and supply chain management. Moreover, the Company's manufacturing facilities adhere to rigorous regulatory standards. Some of the sites have obtained accreditations from the US Food and Drug Administration (USFDA). Some of the facilities have obtained certificates from the World Health Organisation (WHO) and Pharmaceutical Inspection Cooperation Scheme (PIC/S) Good Manufacturing Practice (GMP) guidelines. We plan to increase our share of inhouse manufacturing going ahead.

We are also very focused on our R&D initiatives. Today the Company invests almost 2-2.5% of its annual revenues in R&D. A significant milestone of our relentless R&D focus has been the successful manufacturing of Dydrogesterone, a synthetic hormone used in threatened abortions. We were the first Indian Company to launch this very complex product and now are setting up a dedicated manufacturing unit for this molecule which is expected to become operational during H1FY24. Once this plant is operational,

we believe that we will be one of the world's largest and most economical manufacturers of this very important product, going ahead.

The Company and its subsidiaries operate 6 R&D centres with units located in Haryana, Maharashtra, Himachal Pradesh and Uttarakhand. One of these units has been recognised by the DSIR, while another unit complies with the WHO GMP standards and has undergone inspection by the US FDA. With over 600 scientists, including approximately 40 holding PhD degrees, Mankind's R&D team focuses on developing niche APIs, and complex generic formulations and enhancing the quality and efficacy of its existing products through consistent product and process improvements.

On the innovation side, we are currently working on multiple programmes. We have filed one investigational new drug application ('INDA') for a novel G protein-coupled receptor target for the treatment of type 2 diabetics and obesity, GPR119, a new chemical entity ('NCE') anti-diabetic molecule, which is in phase I clinical trials. Additionally, we have 2 NCE molecules for autoimmune diseases and oncology in pre-clinical stage. We are also working on biosimilars for indications such as cancer, allergy and metabolic diseases. We have made substantial investments in state-of-the-art research with an aim to develop different platform technologies for biosimilars such as mAbs, peptides, proteins and so on. We are also working on device combination products in the respiratory segment. This approach will not only differentiate the Company's offerings, but also position it as a leader in advanced treatments.

The other areas we have significantly focused on are sales mix improvement, process optimisation and yield maximisation initiatives. This has given



**We were the first Indian Company to successfully manufacture Dydrogesterone due to our relentless R&D focus.**

a significant fillip to our gross margins which have increased from 61% in FY16 to ~67% in FY23. Looking ahead, we have several initiatives which includes automation of warehouses using scanning technology, the implementation of Vendor-Managed Inventory (VMI) systems, and automation in product expiry management. These advancements will enable us to further optimise our operations and enhance our service levels.

At Mankind, we have a proactive and comprehensive approach to manage information services while ensuring data privacy and security. We have established a highly resilient security infrastructure with continuous monitoring, regular internal and external audits and adaptation to emerging security trends. Additionally, we are currently working towards obtaining ISO27001 certification, a renowned international standard for information security, further solidifying our commitment to maintaining a high level of security excellence.

The Company is also extensively working on ESG aspect to ensure organisation-wide focus on sustainable growth. Over the last two years the Company has conserved 8,615 KL of water through rainwater collection and recycled 1,06,680 KL of water. During the year, there were zero reportable safety incidents. The

Company collected 100% plastic waste for recycling pan India and plans to become plastic neutral by FY24.

We continue to prioritise launching new products to the Indian market through innovation and collaborations. Mankind's unwavering focus on R&D aims to deliver advanced pharmaceutical solutions while also expanding its market presence with innovative approaches to drug formulation and delivery. Simultaneously, we are striving to differentiate our brands by introducing more and more DMF-grade products. We are also aiming to strengthen our teams' capabilities to achieve the next level of growth.

As I conclude, I would like to take this opportunity to thank our customers and our shareholders, who continue to place their trust in us and I remain grateful to our teams who have enabled us to reach several milestones year after year.

With warm regards,

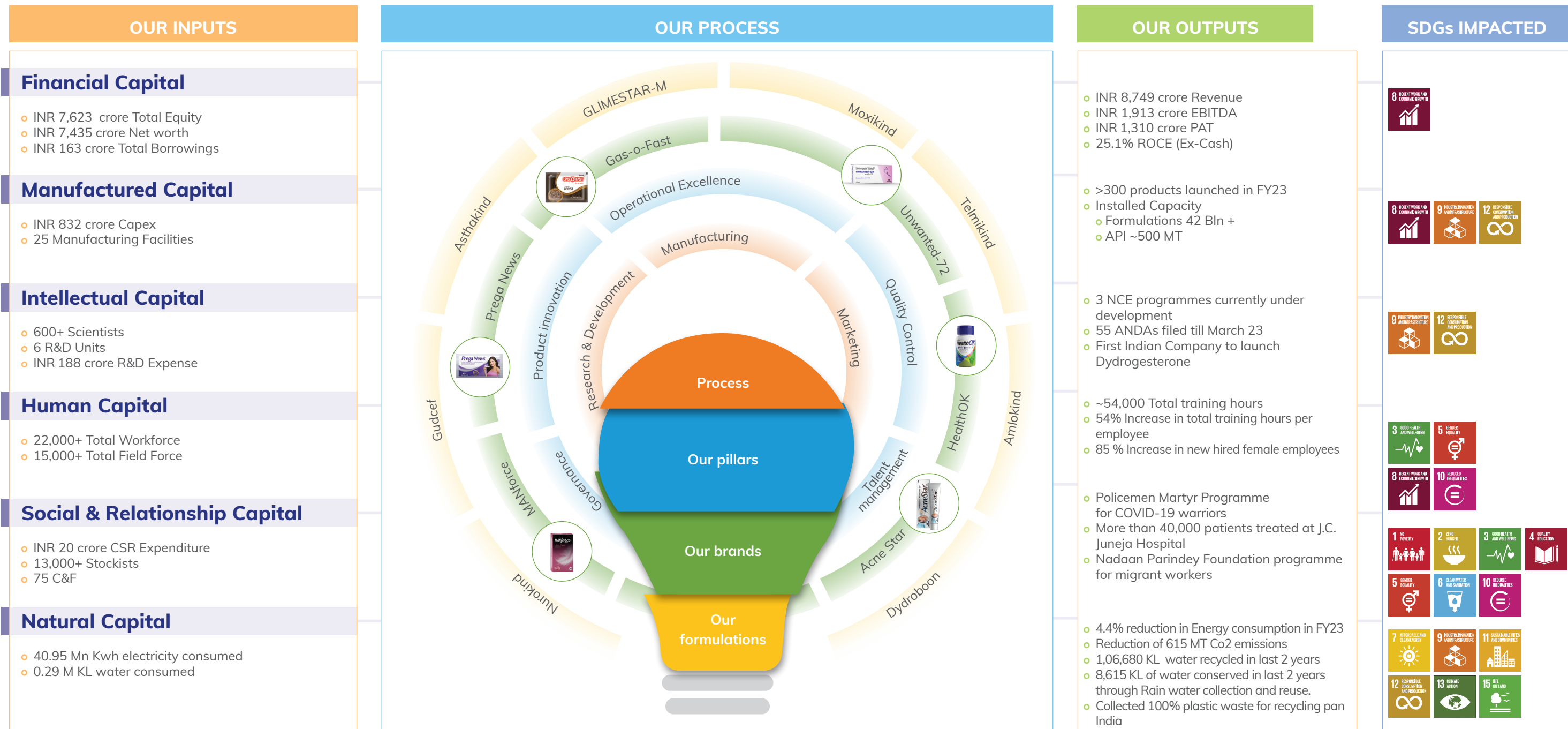
**Arjun Juneja**  
Chief Operating Officer



## Business Model

# Strengthening a Sustainable, Quality-Focused Business

At Mankind, our emphasis on Affordability, Quality and Accessibility drives us to constantly strengthen our portfolio, enhance our reach and create sustained channels of revenue generation. It not only strengthens value creation for stakeholders but, also allows us to ensure business sustainability.





# Diverse Choices for a Healthier Bharat



Our strong positioning at the confluence of the Indian pharmaceutical formulation and Consumer Healthcare sectors bolsters our commitment to deliver superior quality products. Our *Mantra* of Affordability, Quality and Accessibility has helped us to successfully build and scale large brands while creating a huge acceptance for 'Mankind' products.

Key Consumer Healthcare Brands

**MANforce**  
Condoms

**Prega News**  
Means Good News

**UNWANTED-72**

**Health OK**

**GAS-O-FAST**  
SACHETS

**AcneStar**  
Gel



At Mankind, we are dedicated to being the best in the industry. We wish to continue our legacy of growing faster than the industry. To achieve this, we are continuously evolving and reinventing our portfolio. We have consistently increased our market share in the chronic care and will continue to do so. We have also launched new divisions and have worked extensively towards introducing innovative products, and collaborating with other companies to bring in licensed products.

**Dr. Sanjay Koul**  
Chief Marketing Officer



Highest Selling Domestic Formulations Brands

**NUROKIND**

**TELMIKIND**

**Amlokind**

**Dydroboon**

**GUDCEF**

**Ashthakind**

**GLIMESTAR<sup>®</sup> - M**

**Moxikind**



Our dedicated speciality divisions re-inforce our top down strategy in Metros and Class I towns to increase our covered market presence. We are launching products in select white spaces focusing on the chronic segment and also building on our affordability proposition by launching DMF-grade API products at Indian prices. Our success in Neptaz demonstrates our ability to identify and leverage strategic partnerships. We have also made investments in the digital ecosystem for effective customer connect.

**Atish Majumdar**  
Senior President, Sales and Marketing



## Our Business Consumer Healthcare

Since the introduction of our Consumer Healthcare portfolio in 2007, we have continuously focused on meeting the imminent needs of consumers through differentiated offerings. It has not only enabled us to secure a strong market leadership but has helped us to create brands that have now become household names in different parts of the country. Our product range comprising condoms, pregnancy detection kits, contraceptives, antacid powders, vitamin and mineral supplements, and anti-acne preparations are some of the most widely recognised brands in India.

### MANforce<sup>®</sup> Condoms

We launched Manforce in 2007 through the launch of a range of condoms. Manforce has been positioned as a socially responsible business dedicated to improving sexual wellness and making sexual interactions safe and joyful. We provide a wide range of sexual wellness products under the Manforce brand, including lubricants and premature ejaculation gels, in addition to condoms. To appeal to the luxury market sector, we have launched a premium range of condoms known as 'Epic' condoms as a brand extension to our Manforce condoms.



#1

Ranked condom brand

30%

Market share

Source: IQVIA Retail, MAT March 23

### Prega News<sup>®</sup> Pregnancy Detection Card

We launched Prega News in 2010 with an easy-to-use home pregnancy detection kit that seeks to detect pregnancy with the use of urine samples and provides 99% accurate and reliable results. 'Prega News means good news' and the brand has been positioned as a socially conscious brand with this positive ethos. It has empowered women to make informed decisions and seek timely care for pregnancies.

#1

Ranked pregnancy test kit brand

82%

Market share



Source: IQVIA Retail, MAT March 23



## UNWANTED-72

We launched Unwanted-72 in 2007 as part of our emergency contraceptive category. Unwanted-72 is an emergency contraceptive tablet used to prevent unwanted pregnancy in circumstances of unprotected intercourse or contraceptive failure. Its convenience and ease of use, typically as a single dose, have made it a practical choice for emergency contraception.

#1

Ranked emergency contraceptive brand

62%

Market share



## GAS-O-FAST SACHETS

We entered the powdered antacids category, by introducing our brand Gas-O-Fast into the market. It was launched in 2012, and is used to treat incidences of acidity, acid reflux, heartburn, gas and indigestion, using an ayurvedic form of sodium bicarbonate (Svajiksara and Nimbukamalam) as its core ingredient. We have an Active range in the portfolio, including variants like Active Jeera and Active Ajwain, wherein other than being Ayurvedic, real spices (Jeera and Ajwain respectively) are added in the product in place of flavours. Additionally, we also offer a tablet form of antacid that is orange flavoured, effervescent in nature and is sugar free too.

#2

Ranked antacid powder brand

7%

Market share



Source: IQVIA Retail, MAT March 23

## Mankind's HealthOK MULTIVITAMIN TABLETS

HealthOK is a multivitamin brand switched to the Consumer Healthcare segment in 2021. It is a multivitamin tablet that improves energy levels, improves overall health and immunity. We also have a range of multivitamin gummies for children under this brand.

#8

Ranked VMN brand

3%

Market share



## AcneStar Gel

We switched AcneStar in 2016 from Rx to OTC in the acne treatment category. It is an anti-inflammatory and anti-bacterial product which contains clindamycin and nicotinamide and is used for the treatment of acne in 7 days and make the skin clear. The AcneStar range consists of gel, soap and facewash.

#1

Ranked medicated anti-acne brand

35%

Market share



Source: IQVIA Retail, MAT March 23







## Our Business Pharmaceutical formulations

We develop, manufacture and market a diverse range of pharmaceutical formulations across various acute and chronic therapeutic areas. Our astute approach to strategically introduce multiple brands within the same therapeutic area allows us to cater to the requirements of a wide range of patients.

### Anti-infectives

Our anti-infectives portfolio comprises penicillin, cephalosporin, macrolides, and quinolones.


**15%** Share of anti-infectives in portfolio

Brand	Molecule	Indication
Moxikind-CV Gudcef Gudcef-CV Zady	Amoxicillin Cefpodoxime Cefpodoxime Azithromycin	Respiratory tract infection (RTI) 
Mahacef	Cefixime	Urinary tract infection (UTI) 
Cefakind	Cefuroxime	Skin and soft tissue infection, RTI and UTI 
Zenflox	Ofloxacin	Gastrointestinal infection 

### Cardiovascular

Our cardiovascular portfolio includes angiotensin receptor blockers and calcium channel blockers.





**13%** Share of cardiovascular in portfolio

Brand	Molecule	Indication
Amlokind Amlokind-AT	Amlodipine	Hypertension 
Telmikind Telmikind-H Telmikind-AM Neptaz	Telmisartan  Sacubiril/Valsartan	Heart Failure

### Gastrointestinal

Our gastrointestinal portfolio comprises mecobalamin, ondansetron, rabeprazole, pantoprazole and ofloxacin.


**11%** Share of gastrointestinal in portfolio

Brand	Molecule	Indication
Nurokind-LC	Mecobalamin	Chronic fatigue Syndrome 
Vomikind	Ondansetron	Nausea, vomiting 
Rabekind-DSR Pantakind-DSR	Rabeprazole Pantoprazole	Hyperacidity 
Zenflox-OZ	Ofloxacin	Gastrointestinal infection 

### Vitamins / Minerals / Nutrients

In the vitamins / minerals / nutrients portfolio, we produce multivitamins and nutrients including vitamin B-12, mecobalamin, and arginine combinations.



**8%** VMN share in portfolio

Brand	Molecule	Indication
Nurokind Gold Nurokind Plus-RF Nurokind	Mecobalamin combination	Vitamin deficiency 
HealthOK	Multivitamin	
Argipreg	L-arginine	

### Respiratory

Our respiratory medicine portfolio consists of cough suppressants, cough expectorants and antihistamines.

**9%** Share of respiratory in portfolio


Brand	Molecule	Indication
Asthakind Asthakind-DX Asthakind-LS	Bromhexine, guaifenesin and terbutaline Dextromethorphan Levosulbutamol	Cough suppressant 
Monticope	Montelukast	Allergic conditions 



## Anti-diabetic

**8%** Share of anti-diabetic in portfolio




The anti-diabetic range comprises oral anti-diabetic medication for the management of type 2 diabetes.

Brand	Molecule	Indication
Glimestar-M Glimestar-PM	Glimepiride	Type 2 diabetes mellitus 
Dynaglipt-M	Teneligliptin	
Glizid-M	Gliclazide	
Dynaglipt	Teneligliptin	
Voglistar GM	Voglibose	

## Dermatology

**6%** Share of dermatology in portfolio




We produce a range of antifungal and acne medicines to treat dermatological diseases.

Brand	Molecule	Indication
Candiforce	Itraconazole	Fungal infection 
AcneStar	Clindamycin	Acne 
Terbinaforce	Terbinafine	Fungal infection 

## Gynaecology

**8%** Share of gynaecology in portfolio

We focus on emergency contraceptives and formulation for the treatment of female infertility.



Brand	Molecule	Indication
Unwanted kit	Mifepristone and misoprostol	Medical termination of Pregnancy 
Dydroboon	Dydrogesterone	Female infertility 
Unwanted-72	Levonorgestrel	Emergency contraceptive 

Source: IQVIA MAT March 23

## Pain / Analgesics

**5%** Share of Pain / Analgesics in portfolio


Our product range in this category consists of anti-rheumatic, non-steroidal anti-inflammatory and anti-osteoporosis muscle relaxants.

Brand	Molecule	Indication
Caldikind Plus	Calcitriol	Joint and bone pain 
Dolokind Plus	Aceclofenac	Pain and inflammation 
Dolokind Aqua	Diclofenac	

## Neuro / CNS

**3%** Share of Neuro/CNS in portfolio

We have developed the capacity to produce antipsychotics, antidepressants, anxiolytics and benzodiazepines.

Brand	Molecule	Indication
Placida	Flupenthixol and melitracen	Anxiety and depression 
Clonafit	Clonazepam	
Clonafit Plus		



Source: IQVIA MAT March 23

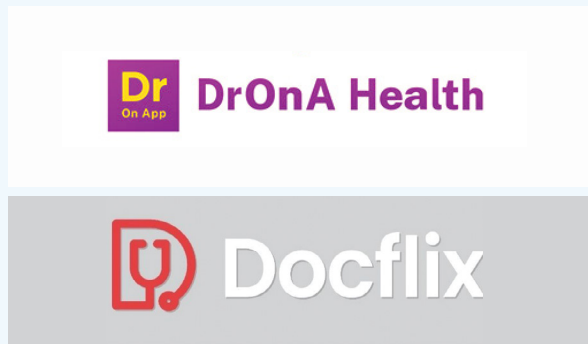


## Marketing and Branding Taking Mankind to Every Corner of Bharat

We participate in numerous conferences and exhibitions to showcase our products. Additionally, we collaborate with retailers during retail summits to strengthen relationships and fortify our position in the market. We also engage with leaders in the healthcare industry through round table discussions and seminars to address existing gaps in treatment. Besides, to enhance brand recall, we engage in various marketing campaigns.

### Digital platforms for doctor engagement

We have developed unique platforms to establish stronger relationships with doctors.

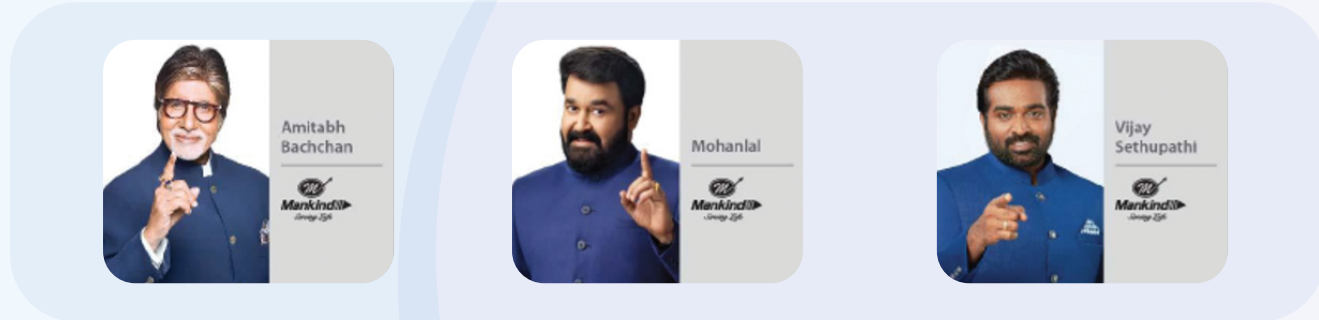


- Our in-house **DrOnA** Health service, a virtual-consultation platform enables seamless patient consultations
- Docflix**, an OTT platform exclusively for doctors to assist them in making faster and more informed clinical choices.
- Mankind Connect**, our knowledge dissemination channel for healthcare providers
- Prana**, a virtual patient help chatbot that gives real-time information to patients on lifestyle disorders.
- Swasth 365 First ever comprehensive and personalised disease management platform

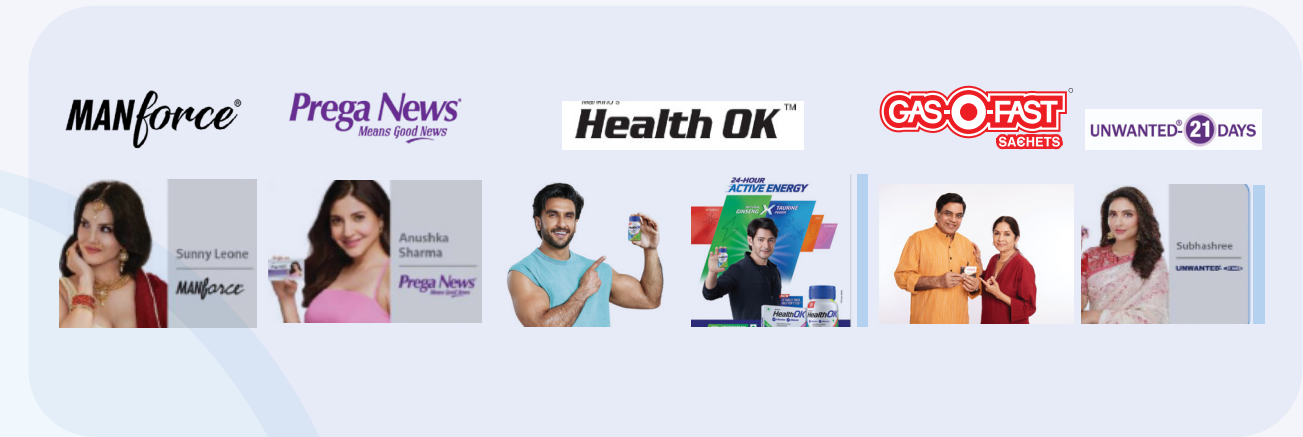
### Reaching further, ensuring accessibility

Recognising the need to expand our reach across the length and breadth of the nation, we have engaged renowned brand ambassadors to communicate the unique value proposition of our brands and create a lasting impression in the minds of consumers. This has helped to create a strong corporate identity and improved our brand recall.

#### Corporate Brand Ambassadors



#### Consumer Healthcare Brand Ambassadors



#### Increasing brand visibility

Our marketing campaigns are carefully designed to improve brand visibility and engage our target audience. Through strategic campaigns, digital advertising, and partnerships, we strive to resonate customer preferences, build stronger relationships and establish a prominent presence in the market.



#### Key advertising campaigns

##### #BeTheSupport campaign

Through the campaign, Prega News used storytelling to highlight the help required for couples coping with infertility.

Link: <https://youtu.be/0anUtbYVfro>

##### #MarkOfStrength campaign

This Prega News campaign emphasises the post-pregnancy physique as a reflection of strength.

Link: <https://youtu.be/cQSOZ-j8wU>



### Specialty Division - Oncology

At Onco Mankind, our mission is to make global quality cancer drugs affordable and accessible to all cancer patients in India. Onco Mankind has the vision to become one of India's most admired, trustworthy, and patient friendly Oncology division. We cover the universe of Medical Oncologists, Haematologists and Radiation Oncologists with a pan-India presence.

The Onco proposition is propelled by the rich legacy of the brand PacliALL (nano-albumin bound paclitaxel) – India's first indigenously developed nab-paclitaxel along with 5 other products indicated in Solid cancers as well as Hematology. We are highly focused to expand and strengthen our portfolio by exploring multiple options to serve patients with differentiated and innovative products and is ready with multiple launches in the near future.



### Specialty Division- Gastroenterology

Mankind forayed into the gastroenterology space with the Procure division after the acquisition of Panacea Biotech. Procure comes with the legacy of the brand Sitcom – a prescription research product, patented and approved by the DCGI as a drug for haemorrhoids. Sitcom represents an indigenous innovation that is unique compared to other available treatments.

Also in the Procure portfolio is Livoluk (lactulose solution) brand which is prescribed for constipation– a condition that is known to aggravate haemorrhoids and hence a complementary treatment. The portfolio has been further augmented by the launch of Sucraday (Sucralfate and Oxetacain suspension) and Rifastop (Rifaximin). The division is poised to make incisive inroads into gastroenterology market.



### Specialty Division- Diabetes

At Mankind Specialities, we have two Super Speciality Diabetes Teams, Nobelis launched in 2020 and Diacar in 2022 (acquired from Panacea Biotech). Nobelis has a pan-India reach and focuses on both Type 1 and type 2 diabetes with products like Glargine, Dapagliflozin, Vildagliptin, Voglibose, and their combinations. Diacar, on the other hand, focuses on type 2 diabetes with its flagship brand Glizid.

Leveraging the scale that digital offers, we have launched our comprehensive disease management platform Swastha 365, Prana - a WhatsApp Chatbot and #itsonelife- a social media patient education and awareness platform to reach out to more diabetic patients and caregivers. These initiatives are tailored to improve awareness of diabetes, diagnosis, and management for healthcare professionals (HCPs) and empower patients to better manage their conditions. Additionally, we endeavour to collaborate with healthcare professionals to create nationwide campaigns to increase awareness about risk factors, encourage early detection, and promote regular health screenings.



### Specialty Division-Ophthalmology

Ocularis Mankind is a dedicated specialty division in Ophthalmology with an aim to become a valuable partner to all the ophthalmologists. Ocularis Mankind was launched to exclusively cater to the fast-growing therapeutic areas of Ophthalmology like Cataract, Dry eyes, Glaucoma, Ocular Infections, Ocular Allergy and Retinal Disorders.

Ocularis Mankind has more than 25+ finished ophthalmic formulations. Increased usage of digital screens leads to increased eye related problems like dry eyes, cataract, ocular infection and Glaucoma. The division is looking at launching many new and safe specialty ophthalmic products and technologies for Indian patients at Indian prices.





# Financial Highlights

## Growing With Confidence

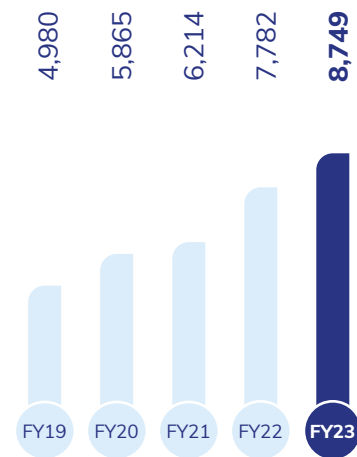
“Our financial prudence has enabled us to sustain growth momentum in a competitive business environment. Our disciplined cost optimisation approach has led to a sharp, sustainable increase in margins over the last few years. We have historically been a net cash positive Company with consistent free cash generation. We are focusing on improving our key profitability metrics to maximise stakeholders’ value, going ahead.”



**Ashutosh Dhawan**  
Chief Financial Officer

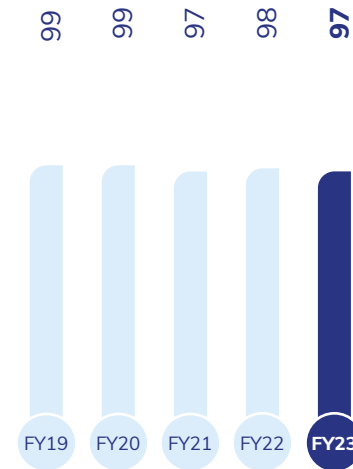
### Revenue

(in INR crore)



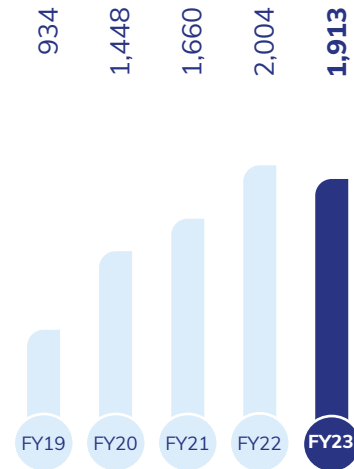
### India Revenue

(as % of Total Revenue)



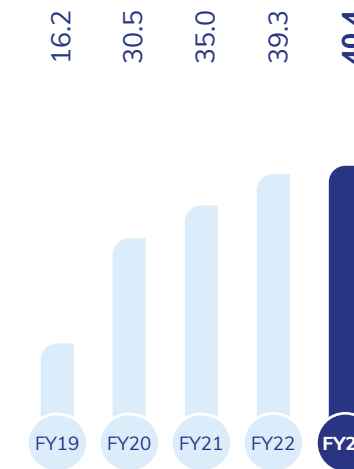
### EBITDA

(in INR crore)



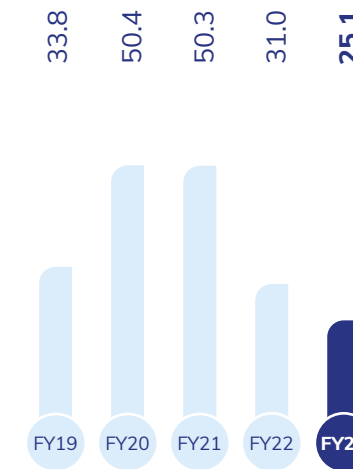
### Cash EPS

(in INR)



### ROCE (Ex-Cash)

(in %)



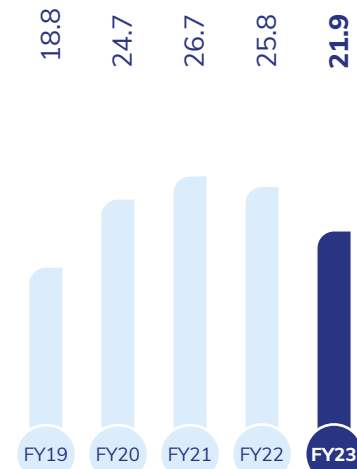
### ROE (Ex-Cash)

(in %)



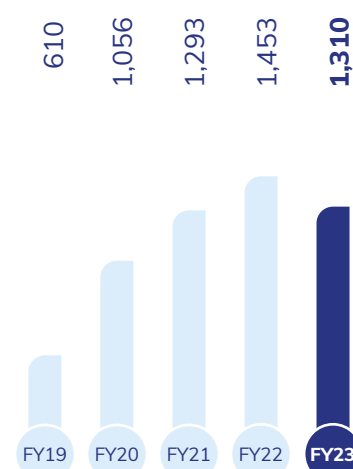
### EBITDA Margins

(in %)



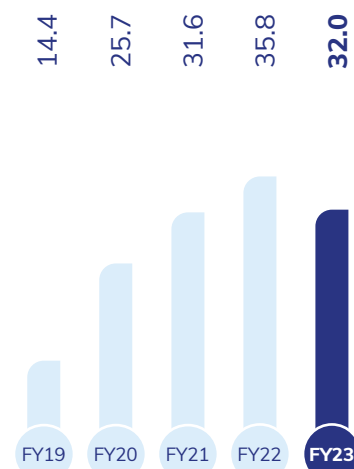
### PAT

(in INR crore)



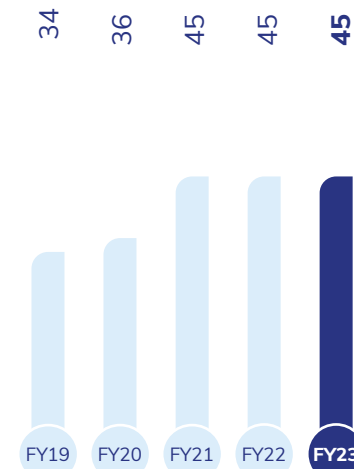
### EPS

(in INR)



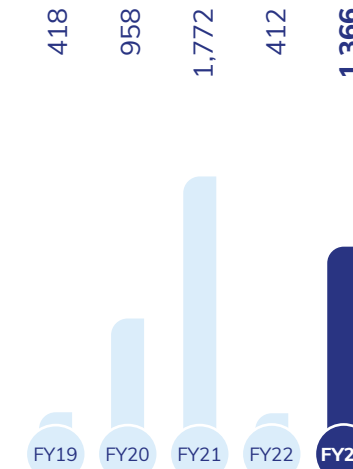
### Net Operating Working Capital Days

(in Days)



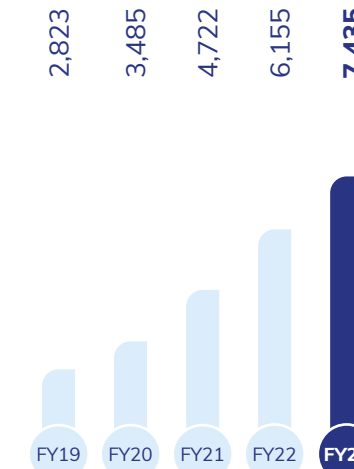
### Net Cash

(in INR crore)



### Net Worth

(in INR crore)



EBITDA Margin, PAT and EPS drop on account of Panacea Biotec acquisition related costs

## Operational Excellence

# Building the Groundwork for Affordability, Quality and Accessibility



“ At Mankind, our aim is to achieve operational agility through disruptive processes and a culture of excellence. We prioritise customer needs and focus on quality to ensure adherence to the highest regulatory standards. The integration of advanced methodologies to enhance manufacturing productivity enables us to minimise waste, optimise resource utilisation and ensure process stability across our manufacturing operations. ”



**Abhay Kumar Srivastava**  
President-Operations

**25**  
Manufacturing facilities across India

**42 billion+ units per annum**  
Total capacity

**4,100+**  
Manufacturing personnel



## Manufacturing plants

With our strategically positioned, state-of-the-art manufacturing facilities, we are fully equipped to meet market demands while abiding by stringent quality parameters. Our specialised facilities are meticulously designed to produce a diverse array of products ranging from tablets, hard and soft gelatin capsules, orally disintegrating films, sachets, syrups, and suspensions, to creams and ointments, injectables (including ampoules and vials), Ayurvedic and feed-supplementary goods, natural rubber latex condoms, nutraceuticals, and cosmetics. By leveraging cutting-edge technology and dedicated resources, we ensure the production of superior grade medical products.

During FY23, we have commissioned 2 new manufacturing sites, increasing the total number of manufacturing facilities to 25.

## Manufacturing Unit I

### PAONTA SAHIB, HIMACHAL PRADESH

#### Products manufactured

- Vials
- Ampoules

#### Regulatory approvals

- SMDC, Ukraine 2. NDA, Uganda 3. FMHACA, Ethiopia 4. TMDA, Tanzania 5. NAFDAC, Nigeria 6. MT&S(DRA), Sri Lanka 7. MOH, Cambodia 8. FDA, Philippines 9. MOHP, Yemen 10. NMHPRA, Afghanistan 11. ZMRA, Zambia 12. Himachal Pradesh State GMP (State Drug Controller)







## Manufacturing Unit II

### PAONTA SAHIB, HIMACHAL PRADESH

#### Products manufactured

- o Dry syrups
- o Liquid syrups
- o Extended-release tablets and capsules
- o Bi-layered tablet

#### Regulatory approvals

- o 1. SMDC, Ukraine 2. NDA, Uganda 3. TMDA, Tanzania 4. MT&S(DRA), Sri Lanka 5. MOH, Cambodia 6. FDA, Philippines 7. MOHP, Yemen 8. ZMRA Zambia 9. MCAZ, Zimbabwe 10. MOH, Kazakhstan 11. Himachal Pradesh State GMP (State Drug Controller) 12. European Medicines Agency (EU GMP).



## Manufacturing Unit III

### PAONTA SAHIB, HIMACHAL PRADESH

#### Products manufactured

- o Tablets
- o Capsules
- o Ampoules
- o Vials
- o BFS

#### Regulatory approvals

- o 1.USFDA 2. MOH, Cambodia 3. NMHPRA Afghanistan 4. MOH&P, UAE 5. NHRA, Bahrain 6. Himachal Pradesh State GMP(State Drug Controller) 7. ANVISA (Brazilian Health Regulatory Agency)



## Manufacturing Unit

### SHREE JEE LABORATORY PVT. LTD. -BEHROR, RAJASTHAN

#### Products manufactured

- o APIs
- o Intermediaries

#### Regulatory approvals

- o US FDA, FSDCC, Rajasthan State GMP (Drugs Control Wing State Drug Controller)



## Manufacturing Unit

### SIKKIM

#### Products manufactured

- o Bi-layered tablets
- o Capsules
- o Extended release tablets

#### Regulatory approvals

- o WHO GMP regulatory approvals



## Manufacturing Unit

### JPR LABORATORIES PVT. LTD - VISAKHAPATNAM

#### Products manufactured

- o APIs
- o Intermediaries
- o KSMs

#### Regulatory approvals

- o WHO GMP regulatory approvals





## Enhancing productivity across manufacturing processes

The Operations team at Mankind is aspired to create agility in operations by doing disruptive process transformations and adopting Operational Excellence. This has enabled Mankind to leapfrog as North-Star in Global Pharmaceutical Manufacturing space. We strongly cultivate the culture of continuous improvement by problem solving, enhancing the competency of work force. In this regard we implement multiple structured drives which ensure world-class efficiency and efficacy.

### Continuous Improvement

Operational processes focused on Lean and Six Sigma methodologies are in place to reduce waste and optimise product and process variations. These initiatives combined with the 26 Lean tools Golden Batch approach, Statistical approach and so on, have proved to be effective in minimising waste, improving stability, and enhancing process capabilities.

### Lean Methodology

Using Lean methodology we are optimising the people, resources, effort, and energy of our organisation towards creating value for the customer

### Kaizen

Our drive on continuous improvement with KAIZEN 'Change for Good' philosophy, is to improve productivity by eliminating

waste at the shop floor level. This process has also led to efficient cost optimisation. Our strong people engagement towards this has yielded a significant cultural shift. The kaizen rate of 1 per employee is a proof of how our workforce has aligned towards the excellence culture.

### Goal Alignment and Proactive decision-making

Mankind has embraced a progressive approach to decision-making, relying solely on factual information and data. Our KPIs are aligned with the vision and strategy of the Company and review mechanism strongly governed through Goal Alignment pillars. The regular review of KPIs yields better business visibility and more refined decision-making.

These decisions are further fortified by cutting-edge technological tools such as Tableau, Solvers, Sigma Magic, and Predictive Analytics. To ensure timely and accurate insights, our equipment is seamlessly integrated with IoT solutions, granting us real-time updates on its health and reliability. This enables us to make informed choices that drive efficiency and productivity.

### Focused Improvement and Problem Solving

We have a structured approach with the Pillar called 'Focused improvement' in our Operational Excellence framework that helps us to address the problem according to its severity level. Our problem solving methodology ranks from Basic Problem Saving, DMAIC through Yellow Belt, Green belt and black belt. As on today we have 300+ Yellow Belts, 27+ Green Belts and 10+ Black belt certified associates with us, helping in training, mentoring, coaching and problem solving projects. These capabilities at shop floor helps us in addressing the problems on time.

## Leveraging technology to drive efficiency

To obtain optimal efficiency and productivity, we leverage cutting-edge technologies and digital advancements to ensure manufacturing excellence in the long run.

We have implemented ASRS (Automatic Storage and Retrieval System) automation for seamless warehousing processes. Our connected chiller plant management ensures optimal cooling efficiency and our track-and-trace management system guarantees product integrity. To minimise environmental impact, we have adopted zero liquid discharge plant technology utilising reverse osmosis with a multi-effect evaporator. Additionally, we have invested in vial filling machines, top-quality autoclaves, and advanced heat pumps for dual functionality and efficient heat recovery in our warehouses.

We have implemented high-end equipment with Programmable Logic Controllers (PLCs) and Supervisory Control and Data Acquisition (SCADA) systems. These advanced technologies serve as the backbone of equipment



effectiveness diagnostics. Through PLCs, we can efficiently monitor and control various processes and guarantee optimal performance. Meanwhile, the integration of SCADA empowers us to gather critical data and assess the overall effectiveness of our equipment.





# Robust Quality Management Quality – Stamp of Trust, Sustainable Quality Culture



**At Mankind, we use advanced, harmonised and simplified approach to enhance quality standards. We are always focused on continuous improvement of product quality beyond national and international regulations and strive to build a healthy quality culture through various initiatives, people development, digitalisation, Gyan Mandir and minimising human intervention.**



**Dr. Birendra Singh**

President – Global Quality Head



At Mankind, we strive to maintain the highest standards of quality across our processes. Our commitment to efficient quality management practices enables us to deliver safe and effective products to our customers while ensuring compliance with regulatory parameters.

We adhere to a comprehensive set of regulatory guidelines, as per the recommendations of:

- International Council for Harmonization (ICH)
- The US Food and Drug Administration (USFDA)
- 21 CFR rules
- Intellectual Property (IP) laws
- United States Pharmacopeia (USP)
- European Pharmacopoeia (EP)
- Central Drugs Standard Control Organization (CDSCO)

## Progressive Quality Control Systems

We adhere to regulatory guidelines and procedures by implementing various software systems. In addition, well-established procedures are in place to handle electronic data as per 21 CFR part 11 compliance. These procedures include storage and archiving of data, backup policies, and regular verification of stored data.

## Quality Assurance across the Value Chain

Mankind ensures a comprehensive and systematic approach to quality assurance across the value chain. We have undertaken the following initiatives to ensure efficient quality management.

### Independent quality checks

Qualified personnel perform quality checks at various stages, starting from the receipt of raw materials and packaging materials to batch manufacturing, analysis, and batch release.

• **Sample analysis**- Various techniques with controlled and validated software system (Chromatographic and Non-Chromatographic) used for sample analysis at quality control

• **Nichelon** — used for learning management

• **eCaliber** — manages quality systems such as deviation, change control, Corrective and Preventive Actions (CAPA), market complaints, and audits.

• **Documentum** – manages paper copy record to electronic record, such as standard operating procedures (SOP), standard test procedure and specifications. Many more document will also be handled by this software.

To ensure effective quality management, a Global Quality Review meeting is held every month at the site and quarterly at the head office. It serves as a governance mechanism to review the progress of quality systems, performance and compliance.

### Inspection of critical parameters

Critical to process (CTPs) and Critical to Quality (CTQs) parameters are thoroughly inspected and maintained within specified limits to ensure product quality.

### Audits of internal manufacturing sites

Audits are conducted at internal manufacturing sites, as well as corporate and contract manufacturing organisation (CMO) sites. These audits are followed by Good Distribution Practice (GDP) audits by CQC experts at Depots/C&F. It helps in identifying areas of improvement and maintain quality standards.

### Supplier and vendor audits

Our experts regularly conduct supplier and vendor audits to ensure compliance with pre-defined regulatory norms and systems.

### Consumer complaint management

A robust procedure is in place to effectively manage consumer complaints, to address issues promptly and ensure customer satisfaction.

### Product recall procedure

A well-defined product recall procedure is established and periodically validated to handle potential quality issues and ensure swift action in the instance of a product recall.

### Enhancing Product Quality and Systems

At Mankind, we are committed to delivering the best quality products. To assure our quality commitment, we have undertaken a number of initiatives.

### Annual Product Quality Review (APQR) procedure

We have a comprehensive system to measure the quality attributes of every product manufactured by us. Based on the outcomes of the procedure, recommendations are given and necessary improvements are made.

### Analytical Method Validation Procedure

We abide by regulatory standards and to ensure proper adherence to established norms, we have adopted a method validation procedure to ensure the use of adequate testing methods for maintaining accurate and reliable results.

### Process performance qualification

Before we launch our product in the market, we ensure that each product has been manufactured in compliance

## Developing Quality Culture at each Level of the Organization - Programme QbX (Quality by Excellence)

It is in our DNA to maintain and deliver the highest quality standards product to a common man. With the continuation of this commitment, an initiative, Quality by Excellence (QbX), was taken across Mankind where major focus areas are People competencies, Productivity enhancement, Lean lab concept, Documentation simplification, Regulatory compliances and Process enhancement.

### Independent quality checks

Qualified personnel perform quality checks at various stages, starting from the receipt of raw materials and packaging materials to batch manufacturing, analysis, and batch release.

### Monitoring of Operations

All process parameters at manufacturing operations, storage and Quality controls especially Critical to process (CTPs) and Critical to Quality (CTQs) parameters are thoroughly verified and maintained within specified limits to ensure

with the performance qualification protocol, to ensure standardised quality.

### Assuring quality of packaging materials

We take complete responsibility for implementing a rigorous process for maintaining the quality of the material used for packaging. It helps to enhance product life and ensures proper storage conditions.

### Material testing

We follow certain specifications to determine the quality of our products. Foremost amongst them is the quality of raw materials used. All materials undergo rigorous testing based on defined specifications, to ensure its quality and suitability for creating a product.

### Contamination Control strategy

Mankind has robust Cleaning Validation plan which ensure the nil possibility of carryover of any previous product contamination to next product. Manufacturing facility design, equipment cleaning and measurement systems are capable enough to assure that products produced are free from any kind of contamination i.e. Viable, non-viable and chemical.

### Computer System Validation:

Software in laboratory instrument and operational equipment's used for testing and manufacturing of drug product, respectively are validated and ensure they meet the regulatory expectations for generated electronic as well paper copy data.

product quality. Products are only released to the market after final sign off from quality.

### Audits of Manufacturing Sites

Manufacturing sites audits are conducted at internal manufacturing sites by internal site team as well as by corporate team periodically. Audits of contract manufacturing organization (CMO) sites and distribution chain (Depot and C&F) are also been done by Corporate team. Vigilance audit at manufacturing partners is being done randomly by corporate quality experts. It helps in identifying areas of improvement and maintain quality standards

### Supplier and vendor audits

Our experts regularly conduct supplier and vendor audits to ensure compliance within pre-defined regulatory norms and systems.

### Consumer complaint management

A robust procedure is in place to effectively manage consumer complaints, to address issues promptly and ensure customer satisfaction.



## Nurturing an Integrated Supply Chain

We maintain a strong emphasis on efficient supply chain management. Our customer-centric approach, understanding of market dynamics and possibilities of disruptions in the supply chain enable us to secure supplies based on market demand.

We also have a robust demand planning mechanism that allows us to gauge market demand beforehand and ensures efficient inventory management and planning. We have also implemented processes which identify critical aspects within the supply chain and provide appropriate strategies to enable its proper functioning. With an integrated supply chain management process, we strive to improve supply chain performance and minimise disruptions and losses.



### Ensuring steady supplies

- o To ensure optimum and timely resource allocation, plans for supplying materials are made three months in advance.
- o Regular review meetings are conducted on a weekly or monthly basis to assess the demand and supply dynamics. It helps in identifying gaps and taking necessary action for handling the surplus.
- o We maintain strong relationships with our supply chain partners and sustain alternate procurement channels to ensure regular supply of critical raw materials and finished goods.
- o Finished goods suppliers are provided with a three-month advance visibility of the demand. This enables them to plan production and inventory management processes effectively while reducing the risk of shortages or excess inventory.

### Implementing advanced technologies and processes

To efficiently serve customers, we have optimised our supply chain operations by leveraging advanced technologies, collaborative platforms, and industry-specific expertise. Through this, we strive to streamline operations, meet market demands, and enhance customer satisfaction.

#### Advanced Available-to-Promise (aATP) Tool

We have adopted an advanced tool for checking stock availability and efficiently creating sales orders. It helps to fulfil orders on time and ensures timely delivery of products.

#### Vendor portal system

It allows us to seamlessly communicate and collaborate with vendors, streamline the procurement process, and improve overall supply chain performance.

#### Implementation of Robotic Process Automation (RPA)

We have embraced RPA to automate distribution processes. It has helped to identify and address bottlenecks in the supply chain, enabled efficient resource allocation and improved overall throughput.

#### Efficient data visualisation

We are using Tableau software to get intuitive and interactive visual representations of supply chain data. It enables us to analyse and interpret information effectively, improve data visibility and support quick decision-making.



## R&D Initiatives

# Enabling Future-Readiness Through R&D Excellence



“ With a commitment to scientific excellence and a focus on delivering high-quality, affordable medication, our R&D efforts span various divisions including drug discovery, advanced formulations, generic APIs, and biotechnology. Additionally, our R&D division focuses on intellectual property, global regulatory compliance, clinical research and biopharmaceuticals. ”



**Dr. Anil Kumar**  
Chief Scientific Officer

## Our R&D capabilities

We have 4 dedicated research and development units. One of our units have been recognised by DSIR, and another unit operates in compliance with WHO GMP guidelines. It has also been inspected by the USFDA. Additionally, we have two R&D centres, the COPMED Research Centre in Dehradun, Uttarakhand and the Mediforce Research Centre at Paonta Sahib, Himachal Pradesh that are operated by our subsidiaries

**6**  
R&D Units

**245**  
Patents filed till FY23

**600+**  
Scientists

**~40**  
PhD holders

**55**  
ANDAs filed till FY23

**INR 188 crore**  
R&D expenditure

## Our Dydrogesterone journey

We were the first Indian Company to launch 'Dydrogesterone'. The journey started in 2012 with the set up of our R&D facility. The whole process to develop and commercialise Dydrogesterone took around 9 years. The product is a synthetic hormone and the manufacturing process is highly complex with stringent controls required during manufacture to keep impurities in check. Bioequivalence evaluation demonstrated Mankind's product to be at par with Global Reference standards in terms of Quality, Safety and Efficacy. We are in the process of setting up a dedicated end to end API and Formulations manufacturing facility for 'Dydrogesterone' at Udaipur, Rajasthan. API facility is planned for backward integration with intermediates and raw materials. Formulations facility is equipped with advanced digital instruments. Facility has received adequacy from State pollution control board as Zero Liquid discharge unit.



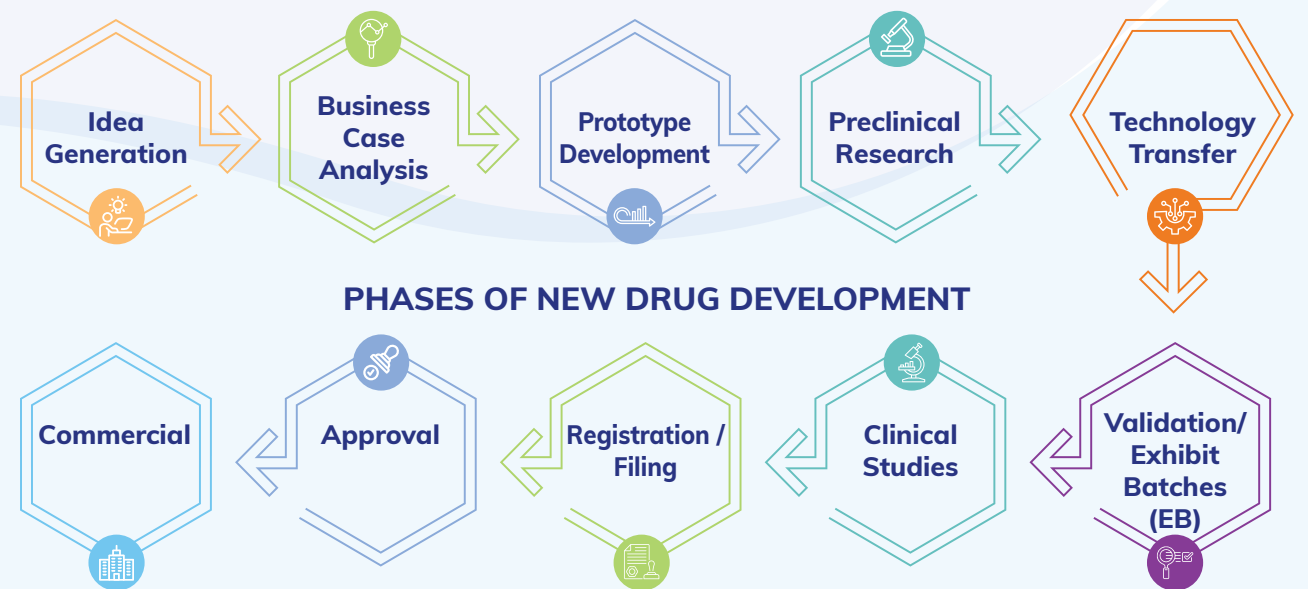
**First in India to develop sustainable packaging solutions for Dydrogesterone and Prega News**

## Formulations

We have made significant strides in drug formulation and possess the capacity to develop complex generics in a variety of dosage forms. As part of our efforts to develop new chemical entities (NCE), we have initiated drug discovery programmes focused on Oncology, Immuno-oncology, and NASH/NAFLD (Non-alcoholic steatohepatitis/Non-alcoholic fatty liver disease). We have already filed an Investigational New Drug (IND) application for one NCE molecule with anti-diabetic properties. Currently, a Phase I 'First-in-Human' Clinical Trial is underway for this molecule, marking an important milestone in its development. Additionally, we have 2 molecules targeting auto-immune diseases and NASH in the pre-clinical stage, demonstrating our continuous commitment to address unmet medical needs. Mankind has also filed few IP strategic products with early launch opportunity in various markets of interest.

## New drug development

For any new drug development, an expert panel is formed with key opinion leaders to discuss the proposed product. It enables us to capture relevant details and create an appropriate strategy for product development. It is a meticulously planned and comprehensive approach that encompasses several phases to ensure the delivery of safe and effective medications.



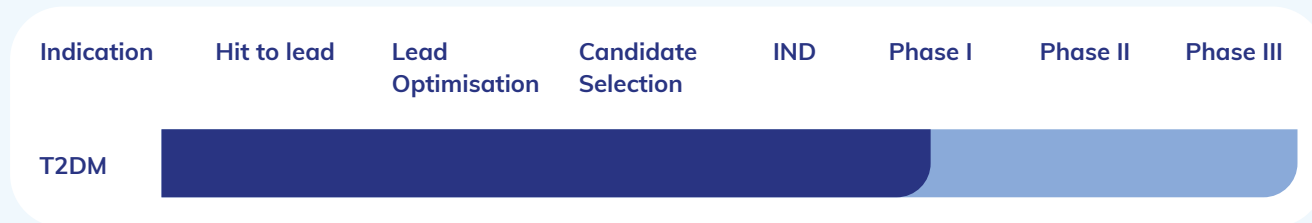
## New drug discovery programme

Mankind's Drug Discovery efforts are directed towards identifying and developing new therapies for disease areas that include Metabolic disorders, auto-immune disorders and oncology. Our focused and well-defined strategy has enabled us to identify promising candidates and we are building a robust pipeline of molecules for our preclinical and clinical developments. Our In-house New Drug Discovery Research (NDDR) has capabilities to conduct drug discovery and development from concept to IND enabling preclinical and clinical studies.

## Metabolic Disorders

### Type 2 Diabetes Mellitus

Type 2 diabetes Mellitus (T2DM) is a chronic disease characterised by insulin resistance and pancreatic  $\beta$ -cell failure, with an underlying genetic predisposition that is heavily influenced by diet and lifestyle. NDDR's discovery efforts are focusing on targets which can provide sustained glycemic control, with a focus on decreasing insulin resistance and preserving  $\beta$ -cell function. We have developed NCE (MKP10241) with novel mechanism of action and is currently in late stage phase I trials in India.



### Inflammation

Auto-immune disorders occur when a person's immune system becomes unable to differentiate between normal and unhealthy cells, causing the immune system to attack the body's healthy organs and tissues. We at Mankind are aiming for novel therapeutics that could have potential therapeutic effect on umbrella of inflammatory diseases such as Rheumatoid arthritis, Ulcerative colitis, Plaque Psoriasis and Alopecia.



### Oncology/Immuno-oncology

Immuno-oncology, is an innovative and promising approach to cancer treatment that harnesses the body's immune system to recognise, attack, and eliminate cancer cells. Immuno-oncology seeks to enhance the immune response against cancer cells and overcome the mechanisms that cancer uses to escape immune surveillance. We are currently developing first in class novel therapeutics for the treatment of melanoma and lung cancer.



## DRUG REPURPOSING

Drug repurposing, also known as drug repositioning or drug reprofiling, is the process of identifying new uses or applications for existing approved drugs that were originally developed for a different medical condition. Instead of developing entirely new drugs from scratch, drug repurposing takes advantage of existing drugs' known safety profiles and pharmacological properties to explore their potential in treating other diseases or conditions. We have identified unmet therapeutic areas where the conventional approach of new chemical entity has not yielded the desired results.

### NASH/NAFLD

Non-alcoholic Steatohepatitis (NASH) stems from the steady build-up of fat in the liver, which can trigger inflammation and, eventually, scarring and cirrhosis. We have discovered two previously approved drugs, originally used for different indications, which shows potential for treating NASH.



## BIOSIMILARS

Mankind has embarked upon a journey to develop biosimilars in some of the world's top 10 biotech drugs in terms of the market indications. The Biotechnology team of Mankind has undertaken development of biosimilars for indications such as cancer, allergy and metabolic diseases. With an aim to develop different platform technologies for biosimilars such as mAbs, peptides, proteins and so on, we have made substantial investments in the state-of-the-art research laboratory facility. These investments reflect Mankind's dedication to staying at the forefront of biosimilar development and meeting the highest quality standards. Mankind targets to build a strong pipeline of biosimilars so as to regularly commercialise biosimilar products.

## INNOVATIVE PACKAGING INITIATIVES

The packaging department continuously strives to provide innovative packaging solutions for our diverse portfolio of drugs and healthcare products. We aim to develop cost-effective, customer-centric and sustainable packaging for all our products. The packaging of our veterinary products has also been revamped in adherence with strict regulatory guidelines.

We are also the first in India to develop biodegradable and sustainable packaging for Dydrogesterone and Prega News. Additionally, we have introduced anti-counterfeiting technology for high-volume product portfolios and are working on the 'Go Green' project to reduce the use of plastic for packaging.



## Information and Technology Excellence

# Empowering Business Through Innovative, Simplified and Secured Technology Solutions

“ We have established a highly resilient security infrastructure with continuous monitoring and adaptation to emerging security trends. We conduct regular internal and external audits to ensure the ongoing robustness of our security measures and implement necessary enhancements. Additionally, we are currently working towards obtaining ISO-27001 certification, a renowned international standard for information security, further solidifying our commitment to maintaining a high level of security excellence. ”



**Pramod Gokhale**  
President - Group Chief Information Officer

At Mankind, we have a proactive and comprehensive approach to manage information services (IS) while ensuring data privacy and security. Emphasising continuous improvement and adherence to industry standards, we leverage advanced technologies to handle a wide array of services, from basic support to complex project implementations. Collaboration with reliable partners further enhances the effectiveness of our systems.

With an aspiration of deploying leading-edge technology solutions like AI/ML, for business, at Mankind, we are in the process of implementing various solutions. These solutions will further enhance the overall operational efficiency across the organisation. Some of the key upcoming initiatives are as below:

### Superman

This application will empower field forces with valuable data at their fingertips and will also generate predictive actionable nudges for achieving targets. This application covers routine daily activities on hand-held tablets on which they can capture transactions and undergo learning/training sessions on the go. We intend to make this in-house developed product as best-in-class and well-admired by the field force.

### Project ADAPT

Project ADAPT is all about 'Adapting the accelerated digital platform for Planning Transformation'. As a scope of this project, we will re-engineer the current entire supply chain process with lots of tangible and intangible benefits. Many AI/ML-based algorithms will deep dive into historical data trends and deliver intuitive predictive actionable nudges. This will also help to considerably improve forecast accuracy and will also reduce planning calendar time.

### DRONA

This is a teleconsulting application for Doctors. Patients can book an appointment with Doctor for video consulting. In the same application, Doctors also can prescribe medicine and upload the prescription on the application. 1,000+ doctors have registered on the application and started availing the benefits of that platform.

## Key Tools at Mankind

- o **SAP S4HANA:** Enterprise On-Line Transaction Processing Application capturing business processes across functions with tight integration for data availability and transparency, enabling prompt decision-making.
- o **SuccessFactors:** Cloud-based application covering 'Hire to retire' processes for all employees.
- o **ADP:** Payroll processing application providing statutory payroll reports.
- o **Concur:** Travel management tool tracking processes from travel requests to expense settlements.
- o **Tableau:** Visualisation tool fetching data from core and satellite applications, enabling data aggregation and providing descriptive and predictive analytics through various visualisations.

### RPA Processes

The implementation of Robotic automation processes will replace mundane processes which are time-consuming but repetitive in nature. So far, we have implemented around 15+ RPA processes across various functions such as Finance, Logistics, and Sales and witnessed exceptional results.

### Vendor Invoice Management

A leading-edge technology, VIM uses the OCR engine. All the Accounts payable invoices are scanned and automatically uploaded in SAP and depending on the rules set, invoices are auto-approved. Invoices which are not fulfilling rules are parked for manual decisions.

## A secure partner ecosystem

We have established a dependable partner ecosystem with maintenance contracts for various services, ensuring the delivery of high-quality reports during frequent review meetings.

## DATA PRIVACY AND CYBERSECURITY

For us, data privacy and cybersecurity are of utmost importance and hence we have robust security tools and access policies in place. We have a rigorous testing process to ensure a proactive approach to addressing potential vulnerabilities.

## TECHNOLOGICAL SYSTEMS AT MANKIND

- o Deployment of cutting-edge hardware security tools, including Firewall protection and MPLS, SDVAN deployment, to secure the entire network.
- o Utilisation of security tools such as Endpoint protection, email security, Single Sign-On, Identity Management, and Antivirus to safeguard data privacy and mitigate cyber threats.
- o Implementation of robust internet access policies to prevent unauthorised access to potentially harmful websites.
- o Regular backups of all critical business data on secure network drives to ensure data integrity and recovery capabilities.

## EMBRACING DATA SECURITY STANDARDS

- o Regular Blackbox testing, Grey Box testing, and Vulnerability Assessment and Penetration Testing (VAPT) for critical Servers, Websites, and VMs to identify and address potential vulnerabilities proactively.
- o Leverage cloud platforms like AZURE and AWS, which also offer additional security measures to safeguard data stored on their platforms.
- o Going forward, we are aiming to deploy the ISO27001 standards to achieve certification for robust data security practices.

## EMPOWERING IS DELIVERY TEAM FOR COMPREHENSIVE SERVICES

- o We have a highly skilled and versatile IS delivery team distributed across multiple locations.
- o Expertise in managing all aspects of information services, from desk-side support to successful ERP implementations and Industry 4.0 initiatives.

## STRENGTHENING GOVERNANCE THROUGH ROBUST TOOLS

- o We implemented Information Technology General Controls (ITGC) and Information Security Management System (ISMS) tools to ensure effective governance.
- o Utilisation of advanced data gathering and collection tools for ISMS-related processes such as change management and incident management.

## IOT-ENABLED PREDICTIVE MAINTENANCE

Our ongoing implementation of IoT solutions in manufacturing plants marks a significant milestone in the realm of Industry 4.0. Through successful PoCs for engineering machines, we have witnessed the transformative potential of IoT. By harnessing machine-specific data such as power consumption, temperature, noise level, and vibrations, our system efficiently predicts and schedules preventative maintenance, mitigating the risk of unexpected breakdowns and ensuring uninterrupted production processes. Additionally, our IoT solution extends its reach to encompass environmental monitoring, capturing crucial parameters like humidity and air pressure across all plant blocks.



ESG

# Designing a Sustainable Future

At Mankind, we remain committed to lay the foundation for a brighter future with sustained endeavours for enhancing environmental sustainability, ensuring the well-being of our people and adhering to the highest standards of corporate governance.

## Contributions for an eco-conscious future

Our emphasis on adopting green practices, enabling efficient water and waste management practices and fostering the use of alternative sources of energy enables us to fulfil our obligations towards the environment. To ensure compliance with environmental regulations, we conduct internal as well as external audits at regular intervals.



### WATER STEWARDSHIP

We have implemented various measures to conserve water and minimise our impact on the environment. To recycle wastewater, we have installed UF/RO (Ultrafiltration/Reverse Osmosis) systems to treat wastewater generated from our manufacturing processes, toilets and canteens. The treated wastewater is then reused within our facilities and it considerably reduces the need for freshwater withdrawal. It has also significantly minimised our dependence on groundwater.

**1,06,680 KL**

Treated water reused in last two years

We have also replaced some of our solvent-based final products with aqueous-based alternatives. It has limited water consumption and minimised the environmental impact of solvent use.

Moreover, we have undertaken steps to optimise our water usage by implementing steam condensate recovery systems. By capturing and reusing the condensate, we reduce the amount of raw water required for our processes.

**8,615 KL**

Rain water collection and its utilisation for various purposes

We have also engaged in rainwater collection and utilise it for various purposes. This reduces the strain on groundwater reserves and contributes to our water conservation goals.

**19%**

Reduction in water intensity in FY23

All the wastewater generated at our plants is treated in state-of-the-art facilities, ensuring compliance with environmental regulations. Our commitment to water stewardship goes beyond compliance, as we actively seek opportunities to enhance our water management practices and minimise our water footprint.

### ENABLING A CIRCULAR ECONOMY

We are committed to responsible waste management and undertake eco-friendly waste disposal methods for hazardous as well as non-hazardous waste to minimise our impact on the environment. For hazardous waste generated from the Sikkim unit, we co-processed it in cement kilns for energy recovery, instead of resorting to traditional methods like landfilling or incineration, which pose potential environmental risks,

**79.77 MT**

Total hazardous waste co-processed from Sikkim site

**193.04 MT**

Total non-hazardous waste co-processed from Unit-1

**100 %**

Briquette Boiler Ash from Unit-1 was sent to cement plant for co-processing

In line with our commitment to recycle plastic waste, the post-consumer plastic waste (Part of the final product packing) introduced in to the Indian Market was collected on pan-India basis as per EPR Target Plan under plastic waste management and sent for recycling.

**100%**

Plastic waste collected and sent for recycling in FY23, as per EPR targets given by CPCB



### REDUCING OUR CARBON FOOTPRINT\*

To harness the power of renewable energy, we have installed solar panels at our manufacturing units. It has reduced our reliance on traditional energy sources and minimised carbon emissions from our operations.

**4.4%**

Reduction in energy consumption in FY23 compared to FY22

To further reduce carbon emissions, we have made a transition from diesel to bio-briquette fuel in our boilers for steam generation. This eco-friendly alternative is derived from sustainable sources, enabling us to lower our carbon footprint

and promoting the use of renewable energy.

We are also prioritising efficient utilisation of plant and machinery through continuous monitoring and process optimisation. It maximises energy efficiency,

**2.94%**

Renewable energy in total energy mix

reduces energy consumption and emissions. We have also implemented LED lighting and motion sensors across all our units to reduce energy wastage and minimise our carbon footprint.

**615 MT**

Reduction in CO2 emission due to renewable energy

\*Based on factors mentioned in GRI/ WRI



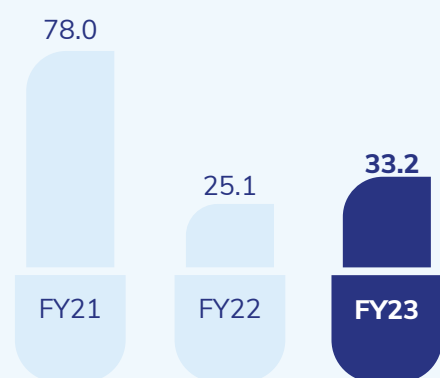
We continuously evaluate opportunities to upgrade equipment and systems to ensure lower energy consumption through the use of energy efficient alternatives. For instance, we replaced filter presses with volute dewatering systems. Similarly, high-intensity pumps and motors were replaced with energy efficient models. We have also installed timers to limit the use of fans in cooling towers, particularly during winter, when less cooling is required.

**4.4%**  
Reduction in energy consumption

Through rigorous standard operating procedures, systematic assessment methods, and evaluation mechanisms, we continuously improve our environmental practices to strengthen our sustainability initiatives for a greener planet.

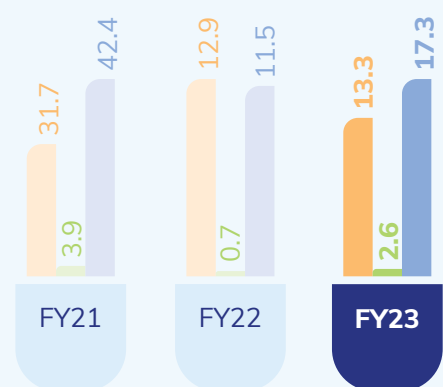
**Y-O-Y EMISSIONS**  
(tCO2E/million tablets)

**57.44%**  
Reduction in emission as per base year 21



**TOTAL SOX, NOX, AND PM EMISSIONS**  
(Metric Tons)

Legend: NOx (orange), SOx (green), PM (blue)



**FUTURE ROADMAP**

- Achieve 100% plastic neutral at our factories as per EPR Target Plan approved by CPCB by FY24
- Reduce hazardous waste disposal cost in Sikkim by 10% in FY24.
- Decrease groundwater consumption per unit of production by 5% compared to FY23.
- Map Scope-3 emissions for at least 70% of Upstream/downstream activities by FY25.

**Nurturing an empowered workforce**

We nurture a vibrant and inclusive work culture that prioritises the well-being of our employees and fosters a strong sense of belonging. We celebrate various occasions throughout the year, such as Daughter's Day, Men's Day, birthdays, TGIF, Diwali, Christmas, New Year, Women's Day, and more. These celebrations not only bring joy but also create a sense of camaraderie within the organisation.

We recognise the importance of employee engagement in maintaining a positive work culture. By focusing on increasing the Employee Value Proposition (EVP), we ensure that our employees feel valued and appreciated. With initiatives like Udaan, Maitri, and various other learning interventions, we continuously strive to improve the work culture.



**DIVERSITY AND INCLUSION**

We believe, by fostering a conducive environment for people from diverse backgrounds to thrive, we can drive innovation and success. We remain committed to provide equal opportunity to all employees, regardless of their gender, ethnicity, age, religion, or disability.

To further bolster initiatives to create an inclusive work culture, we have identified roles where women can contribute and excel. We recognise the importance of representation at all levels of the organisation and seek to hire more women for key positions.

We understand the challenges that women face when it comes to balancing work and family responsibilities. To support our female employees, we offer flexible working hours that accommodate their needs, particularly during maternity and post-maternity phases. We provide job roles that align with their skills and aspirations, creating opportunities for growth and advancement within the Company.

**85 %**  
Increase in new hired female employees

**100 %**  
Female employees resumed work after maternity leave

**Zero**  
Sexual harassment complaints

**TALENT ACQUISITION**

We employ a comprehensive talent acquisition strategy that includes campus hiring, focused lateral hiring, and participation in walk-ins and job fairs. We engage with universities and educational institutions to recruit fresh graduates and identify experienced professionals through targeted lateral hiring opportunities. By reaching out to a diverse pool of candidates, we ensure a steady influx of talent to meet the evolving needs of a pharmaceutical Company.

To further improve our reputation as an employer of choice, we prioritised employer branding initiatives. We have implemented measures to improve our Glassdoor rating by addressing employee concerns and fostering a positive work culture. Additionally, we utilise social media platforms to highlight employee success and well-being.

**TRAINING AND DEVELOPMENT**

We foster a dynamic culture of learning that empowers our employees to continuously enhance skills and knowledge. To facilitate continuous growth and development, a comprehensive range of training programmes are offered to employees. Along with orientation sessions, in-house training, mentorship, coaching and external training, we provide holistic training and development opportunities to our people.

Our Individual Development Programme (IDP) focuses on tailoring learning experiences to meet the specific needs and aspirations of employees. Additionally, we have established Fusion, an extended learning initiative that covers our subsidiaries as well. Our employees also have access to the QBX (Quality by Excellence) programme, which emphasises learning and implementing quality practices across the organisation.

To facilitate self-paced learning, we have an innovative e-learning platform, Palm Leaf. It enables employees to learn at their own pace. We also foster collaboration and support through projects like the Buddy Programme, to promote knowledge-sharing among colleagues.

**~54,000**  
Total training hours

**54%**  
Increase in total training hours per employee from FY22





**75%**  
Leadership upskilled

### LEADERSHIP DEVELOPMENT

We place a strong emphasis on leadership development as a crucial aspect of organisational growth. Our Leadership Development Programme is designed to cultivate a competent and skilled workforce. Recognising the significance of leadership in driving innovation and

organisational performance, we allow experienced leaders to share their thoughts and views. It provides our people an opportunity to learn from industry veterans.

With a focus on higher education, we have established tie-ups with renowned universities,

such as Tejasv. It allows our people to pursue educational programmes like BSc, MSc, B Pharma, MBA, and even Ph.D. We also partner with esteemed institutions like IIM Kozhikode and IIM Calcutta to conduct Management Development Programmes

(MDPs), to equip leaders with the necessary skills to navigate complex business landscapes and drive sustainable growth. These MDPs further enhance the leadership capabilities of executives and empower them to guide the Company towards greater heights of success.



### TALENT RETENTION

At Mankind, we strive to nurture a dynamic talent pool. Our flagship programme, Mankind Ladder, is designed to nurture and grow our in-house talent. It provides ample opportunities to succeed within the organisation.

Our Buddy Scheme pairs new employees with experienced mentors to facilitate smooth integration with the organisational culture. Moreover, to foster a culture of excellence, we have a robust reward and recognition system. We also support the growth of our people through sponsorships for higher education, external training, and participation in industry forums. We prioritise an employee-centric approach with flexible working hours and have embraced a hybrid work culture to ensure work-life balance and enhance productivity.



### EMPLOYEE WELL-BEING

We value the health and well-being of our people. Our primary goal is to create a healthier and happier team by providing exceptional health benefits. We also create a positive working environment by implementing a range of wellness initiatives and extending comprehensive health coverage to all employees.



### SOME OF OUR HEALTH AND SAFETY INITIATIVES

- Hazard Impact Risk Assessment (HIRA) and Job Safety Analysis (JSA) conducted for routine and non-routine activities.
- Root cause analysis and investigation of incidents involving workers and contractual workers.
- Near miss reporting, internal audits, safety committee meetings, and HIRA implementation.
- Intra-department safety inspections are conducted biannually. Audits for external certification is also conducted every year. Third-party audits are also conducted every two years.
- Workplace Health Risk Assessment (WHRA) studies conducted and yearly medical check-ups offered to employees.
- Quarterly and yearly audits, monthly Gemba walks, and monthly MIS reports for continuous improvement.
- Induction training provided to new employees, with identification of training needs.
- Worker involvement in safety committees, risk assessments, and fire drills to ensure active participation and contribution to safety measures.
- Fire prevention and protection systems including alarms, extinguishers and sprinklers have been installed to handle emergencies.

### Zero

Lost time accidents reported

### ISO-45001

Certified for Occupational Health and Safety Management System



## Committed to Inclusive Development



Our CSR initiatives are committed to achieve the goals of sustainable development by integrating economic, environmental and social imperatives, which recognises the interests for all its stakeholders. Our CSR projects /programmes are curated for the upliftment of the society by providing access to quality education, healthcare facilities and skill development. We aim to improve the lives of underprivileged and contribute towards a more equitable society.

**INR 20 crore**

CSR expenditure



Our CSR vision 'We Are There to Care' endeavours to provide the best services to society

### OUR CSR POLICY HELPS ACHIEVE THE FOLLOWING GOALS:

- Socio-economic upliftment of communities and fosters self-reliance and inclusive development
- Improving access to quality healthcare facilities
- Strives to improve access to quality education particularly to underprivileged children
- Supporting research and development in the field of medical sciences

### Livelihood enhancement

In our commitment to promoting livelihood enhancement programmes, we actively contribute to various causes that make a positive impact. This includes providing support to the families of martyr policeman, migrant workers, as well as assisting acid attack survivors in their journey of rehabilitation and recovery.

### Healthcare

As part of our CSR initiatives, we support various healthcare endeavours. This includes distributing nutritional kits to HIV positive pregnant women, contributing to research and development in immunotherapy and molecular work, supporting JC Juneja Foundation Hospital. These initiatives reflect our commitment to improving healthcare access and making a positive impact on individuals and communities.

### Education

In our pursuit of promoting education, we endorse a range of initiatives. This encompasses supporting vocational skills and livelihood enhancement programmes, extending assistance to educational institutes, facilitating the construction of educational buildings and hospitals, providing scholarships for students, establishing Skill Development Centre, and ensuring educational facilities for children from tribal areas.

## Making Good Governance a Priority

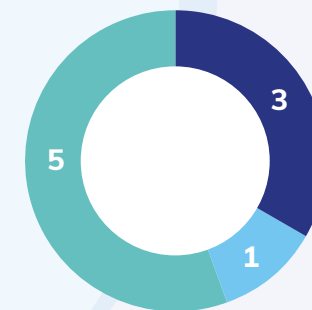


We prioritise ethical governance practices to ensure transparency and accountability across our processes and instil trust, and confidence in our stakeholders. Our emphasis on strengthening bonds with employees, shareholders, and communities empower us to strengthen the pillars of a value accretive business.

### Leading with transparency and accountability

The continuous guidance of our Board of Directors and internal committees enable us to abide by ethical standards, operate with integrity and transparency. Our Board comprises of diversely talented and experienced individuals who undertake the responsibility to reiterate our commitment towards good governance.

### EXPERIENCE - BOARD OF DIRECTORS



● 10-20 years ● 20-30 years ● 30+ years

**5**

Independent Directors

**4**

Executive Directors

### Performance review

To ensure accountability and continuous improvement, we conduct annual evaluation of the Board's performance, along with committees and individual directors. We consider various criteria, such as knowledge, active participation and attendance at meetings, adherence to high ethical standards, integrity, confidentiality, and decision-making abilities in the assessment criteria. Through these evaluations, we strive to enhance the effectiveness of our governance practices.

### Promoting integrity and compliance

Maintaining the highest standards of ethical, moral, and legal conduct is deeply ingrained in our corporate culture. We have established a robust Vigil Mechanism, supported by a comprehensive Whistle-blower policy. It allows individuals to report unethical practices to the Ombudsman, Ethics Committee, or the Chairman of the Audit Committee. The Vigil Mechanism is diligently

supervised by our Ethics Committee to ensure fair and impartial handling of all disclosures.

At Mankind, we have also implemented a Policy on Professional Etiquette at the Workplace. This policy provides clear guidelines for maintaining a respectful and inclusive work environment, fostering a culture where everyone is treated with dignity and respect. We also strongly believe in enhancing women's participation in the workforce and aim to offer equal opportunities to all our employees.



## Profile of Board of Directors



**Mr. Ramesh Juneja**

Chairman & Whole Time Director

Mr. Ramesh Juneja is the Chairman and a Whole Time Director of the Company and also one of the promoters of the Company. With over 32 years of experience in the pharmaceutical industry, his expertise is invaluable. Recognised as the 'Entrepreneur of the Year' by Ernst & Young in 2009, his leadership sets the bar high for the team.



**Mr. Rajeev Juneja**

Vice Chairman & Managing Director

Mr. Rajeev Juneja is the Vice-Chairman and Managing Director of the Company and also one of the promoters of the Company. He brings extensive industry experience spanning over 30 years and his deep understanding of the pharmaceutical industry drives our success.



**Mr. Surendra Lunia**

Independent Director

Mr. Surendra Lunia serves as an Independent Director of the Company and has been with the Company since February 2015. He holds a Bachelors degree in Commerce from St. Xavier's College, Calcutta. He is a member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India.



**Mr. T. P. Ostwal**

Independent Director

Mr. T. P. Ostwal serves as an Independent Director of the Company and has been with the Company since January, 2020. He is a member of the ICAI and a senior partner of chartered accounting firms T.P. Ostwal & Associates LLP and DTS & Associates LLP.



**Ms. Vijaya Sampath\***

Independent Director

Ms. Vijaya Sampath serves as an Independent Director of the Company and has been with the Company since August 2022. She holds a Bachelor Degree in Arts in English literature from the University of Madras, Chennai and a Bachelor's degree in Law from the University of Mysore, Karnataka. She is a fellow member of the Institute of Company Secretaries of India.



**Mr. Sheetal Arora**

Chief Executive Officer & Whole Time Director

Mr. Sheetal Arora is the Chief Executive Officer and a Whole-Time Director of the Company and also one of the promoters of the Company. He has over 15 years of experience in the pharmaceutical sector.



**Mr. Satish Kumar Sharma**

Whole Time Director

Mr. Satish Kumar Sharma serves as a Whole-Time Director of the Company and has been with the Company since September 2016. He holds a Bachelor's degree in Pharmacy from Gulbarga University, Karnataka. He has over 16 years of experience in the pharmaceutical sector.



**Mr. Bharat Anand**

Independent Director

Mr. Bharat Anand serves as an Independent Director of the Company and has been with the Company since August 2018. He holds a Bachelor Degree in Arts (Economics) from the University of Delhi and a Bachelor's degree in Law (Honours) from Jesus College, Cambridge University. Mr. Anand is a Partner of Khaitan & Co, LLP.



**Mr. Vivek Kalra\***

Independent Director

Mr. Vivek Kalra serves as an Independent Director of the Company and has been with the Company since August 2022. He holds a Bachelor Degree in Technology (Electrical Engineering) from Indian Institute of Technology, Bombay and an MBA from Leland Stanford Junior University.

\* Joined the office on 1st of August, 2022



# Awards and Recognition

Mankind Pharma Limited has received awards for its work in the pharmaceutical industry on several occasions. Some of the Company's major achievements during FY23 included:



E4m Pride of India Brands - 'The Best of North Award' for Mankind



ET Digi plus Awards 2023 - 'Best Use of Video' for the PregaNews campaign - 'She Can Carry Both'



Navbharat Environment Conclave - 'Most Innovative Green Healthcare Company, for Mankind



Mad Over Marketing, The Mommy's Award - 'Best Long Format Video content' for the PregaNews Campaign 'She Can Carry Both'



IGMC Silver Award Unit-1 Paonta Sahib



The Responsible Manufacturer of the year by Kaizen for Sikkim Facility



Unit-1 Paonta Sahib Bagged 'Best EHS Practices' from The Greentech Foundation.



Sikkim Facility awarded The Green Pharmaceutical Award of the Year



Paonta Sahib Facility bagged prestigious award from Kaizen Hansei





## Corporate information

### Board Of Directors

**Ramesh Juneja**  
Chairman and Whole-Time Director

**Rajeev Juneja**  
Vice-Chairman and Managing Director

**Sheetal Arora**  
Chief Executive Officer and Whole-Time Director

**Satish Kumar Sharma**  
Whole-Time Director

**Surendra Lunia**  
Independent Director

**T. P. Ostwal**  
Independent Director

**Vijaya Sampath\***  
Independent Director

**Bharat Anand**  
Independent Director

**Vivek Kalra\***  
Independent Director

\* Joined the office on 1<sup>st</sup> of August, 2022

### Bankers

Citi Bank N.A.  
HDFC Bank Limited  
ICICI Bank Limited  
Kotak Mahindra Bank Limited

### Joint Statutory Auditors of our Company

S.R. Batliboi & Co. LLP  
Bhagi Bhardwaj Gaur & Co.

### Registrar and Share Transferor Agent

**KFin Technologies Limited**  
(Unit: Mankind Pharma Limited)  
Selenium, Tower B, Plot No. 31 and 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy 500 032 Telangana, India  
Tel: + 91 40 6716 2222  
E-mail: einward.ris@kfintech.com

### Registered Office

208, Okhla Industrial Estate Phase-III  
New Delhi 110 020, Delhi, India  
Tel: +91 11 4747 6600

### Corporate Office

262, Okhla Industrial Estate Phase-III  
New Delhi 110 020, Delhi, India  
Tel: +91 11 4684 6700  
E-mail: investors@mankindpharma.com

### Chief Financial Officer

Ashutosh Dhawan

### Company Secretary and Compliance Officer

Pradeep Chugh

# Management Discussion and Analysis



## Economic Overview

### Global economic overview

The global economy has faced several challenges due to muted global demand, soaring inflation and uncertainty owing to geo-political conflicts throughout CY22. Monetary tightening, interest rate hikes, currency fluctuations and capital outflows from emerging and developing markets were widespread. The global trade outlook was also impacted by increasing trade protectionism and supply chain disruptions.

While the World Economic Forum indicates a 45% probability of a global recession in 2023, there are green shoots of economic resurgence in recent months led by Asia. Global growth is expected to bottom out at 2.8% this year before rising to 3.0% in 2024. Emerging and developing countries are experiencing growth across multiple sectors, with growth rates increasing from 2.8% in 2022 to 4.5% in 2023.

(Source: World Economic Forum Report –May2023)

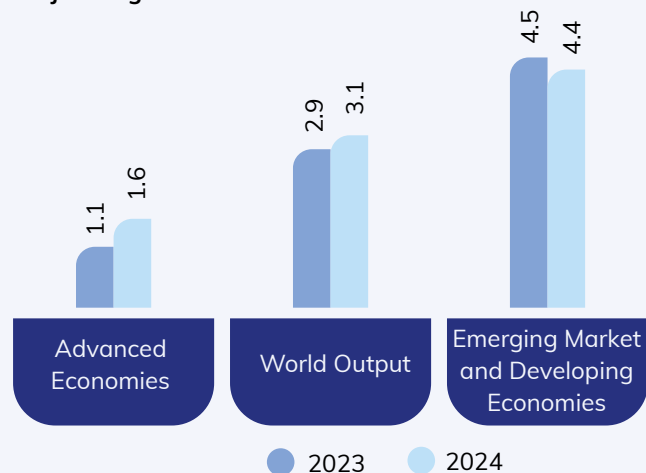


### Outlook

Emerging markets and economies have recovered, which has significantly improved real incomes. The likelihood of a promising global outlook also depends on the pace and efficacy of fiscal and monetary policy actions implemented to fuel economic expansion.

A stronger boost from pent-up demand in numerous economies and a steep fall in inflation are expected in the course of CY23. Governments and central banks of the world are expected to be instrumental in accelerating economic growth by implementing targeted, need-based initiatives.

### Projected growth rates



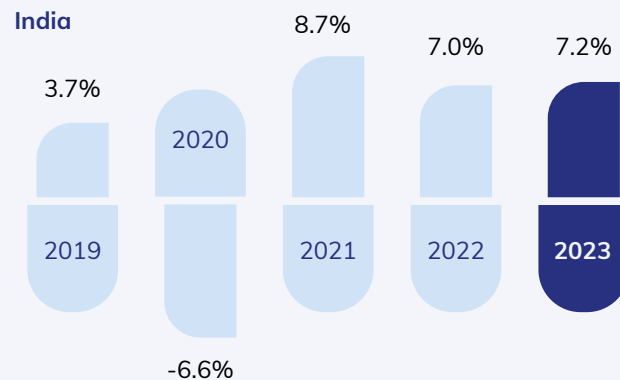
[Source: International Monetary Fund]

### Indian economic overview

Notwithstanding global challenges such as COVID and the Russian-Ukraine crisis, the Indian economy remained remarkably resilient. In FY23, central banks across the world responded with synchronised policy rate hikes to combat inflation, causing the appreciation of the US dollar and the widening of the Current Account Deficits (CAD) in net-importing economies in 2022. Despite these headwinds, agencies worldwide continue to project India as the fastest-growing major economy, with 6.5-7.0% growth in FY23.<sup>1</sup> The Indian Government has managed to sustain a conducive domestic policy environment and prioritise structural reforms.

Additionally, the country's stabilising inflation trajectory, higher disposable income and continued investment in infrastructure development are expected to contribute to economic growth in the years ahead. This consistent growth momentum has also placed India in a sweet spot for capturing a large share of global investments.

### GDP growth YoY (%)



(Source: National Statistical Office)

According to the latest S&P Global Purchasing Managers Index (PMI), there has been a further expansion in business activities to 61.2 levels that is the highest since 2010. The Indian economy in the recent period grew by 6.1% that elevated the annual expansion to 7.2%, compared to 9.1% in the previous fiscal year.

(Source: S&P Report, June 23)

### Outlook

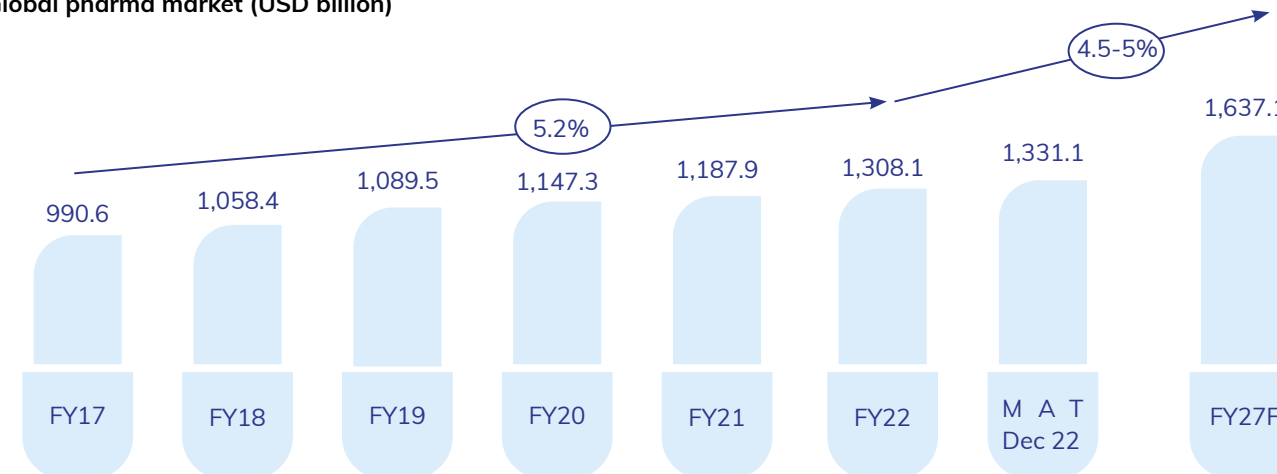
The Indian economy clocked a growth of 7.2%<sup>2</sup> during FY23; further it is expected to show growth of 6.5%<sup>3</sup> in FY24. This growth can be attributed to the strategic efforts undertaken by the Government, including the implementation of initiatives such as the PM Gati Shakti - National Master Plan, the National Monetisation Plan (NMP) and the Production-Linked Incentive (PLI) scheme. In addition to these measures, the Reserve Bank of India (RBI) has played a crucial role in maintaining financial stability and effectively managing liquidity constraints. All these factors have collectively contributed to the resilience demonstrated by the Indian economy.<sup>4</sup>

### Global Pharmaceutical Industry<sup>5</sup>

The global pharmaceutical market is worth USD 1,331.17 billion and is expected to grow at a CAGR of 4.5-5% by FY27. The sector is undergoing a major transition, leveraging cutting-edge digital platforms, big data analytics, cloud computing and artificial intelligence (AI). Digital technologies are increasingly employed in the pharmaceutical sector to streamline important, labour-intensive procedures.

The pharmaceutical industry has taken significant strides in improving public healthcare around the world. Major innovations in biopharmaceutical research have led to a reduction in mortality, for instance, from HIV/AIDS-related concerns and several types of cancers. Antihypertensive and cholesterol-lowering medications can now regulate high blood pressure and cardiovascular diseases; knee or hip replacements can help patients prevent immobility and new targeted treatments may control or even cure certain types of cancers.

### Global pharma market (USD billion)



Source: IQVIA MIDAS Quarterly Sales Data MAT December 2022, IQVIA Market Prognosis Global – May 2022

### Key Growth Enablers



#### Increase in ageing population

According to the UN, the global population of people aged 65 and above is predicted to double by CY50, rising from 727 million in CY20 to 1.5 billion in CY50. This rapid rise in the geriatric population will increase the prevalence of chronic illnesses and lead to higher pharmaceutical consumption.



#### Chronic diseases

Rising incidences of chronic diseases such as hypertension, diabetes, chronic respiratory diseases and cardiovascular diseases across the globe on account of rapid urbanisation, adoption of sedentary lifestyles and poor dietary habits are expected to boost demand in the global pharmaceutical industry.



#### Global generic market

As an outcome of global efforts to reduce overall healthcare costs, which have been exacerbated by a pandemic-induced economic crisis, reduced purchasing power and financial pressures, there has been increasingly widespread adoption of generics. Governments around the world are implementing pro-generics policies to enhance uptake and offset increased expenses.

### India's Pharmaceutical Industry<sup>6</sup>

India's pharmaceutical market (IPM) has experienced remarkable growth over the years, reflecting its immense potential. From INR 660.53 billion in FY12, the IPM reached INR 1,859.05 billion in FY22, demonstrating a robust CAGR of approximately 10.9%. In the next few years, the market is expected to maintain its upward momentum and is projected to grow at a CAGR of 10-11% and reach a value of INR 3,000-3,100 billion by FY27.

The Indian pharmaceutical industry plays a prominent role globally as India is ranked third worldwide in the production of pharma products by volume and 14th by value based on the Economic Survey 2022-23.

Source: [https://pharmaceuticals.gov.in/sites/default/files/Annual%20Report%202022-23%20Final-3\\_0.pdf](https://pharmaceuticals.gov.in/sites/default/files/Annual%20Report%202022-23%20Final-3_0.pdf)

Several key factors have contributed to the substantial growth of the IPM. The rise in disposable income has led to improved living standards and greater healthcare awareness, prompting individuals across various income segments to seek high-quality healthcare services, including better hospitals, medicines and pharmacy offerings.

Another contributing factor to the IPM's growth is the increasing life expectancy in India. The United Nations estimates that the country's current life expectancy in CY22 is around 70.2 years, marking a steady increase compared to previous years. The National Health Profile predicts that the average age of Indians will rise to 34.7 years by CY36, with the proportion of the population aged 60 years and above expected to reach approximately 11.5% by CY26 and 15%

<sup>6</sup><https://investmentbank.kotak.com/downloads/mankind-pharma-limited-RHP.pdf>

<sup>1</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>

<sup>2</sup><https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1928682>

<sup>3</sup><https://www.pib.gov.in/PressReleasePage.aspx?PRID=1911516>

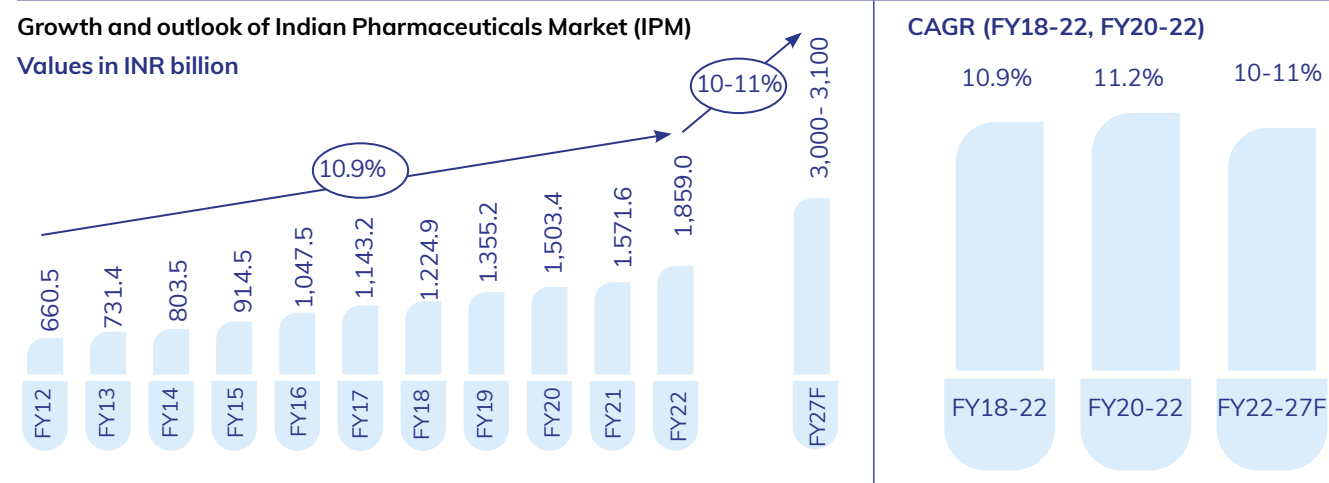
<sup>4</sup>[https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review\\_Feb%202023.pdf](https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review_Feb%202023.pdf)

<sup>5</sup><https://investmentbank.kotak.com/downloads/mankind-pharma-limited-RHP.pdf>



by CY36. This demographic shift creates a greater demand for healthcare services and pharmaceutical products, particularly for managing age-related health concerns.

The chronic segment within the IPM has also witnessed growth with a CAGR of 11.97% compared to the overall IPM CAGR of 10.14% between FY18 and Moving annual total (MAT) December 2022. Major therapeutic areas such as cardiovascular and anti-diabetic treatments are expected to continue growing at a CAGR of 11%-13% from FY23 to FY27.



### Strategic Growth Drivers

#### Rising income levels

Per capita income of India increased from INR 65,538 to INR 86,659 between FY13 to FY21, indicating a growth of approximately 4.07% CAGR. This has resulted in improved living standards and healthcare awareness. As a result, people across income levels seek high quality healthcare services in terms of better hospitals, medicines, and pharmacy services.

#### Government initiatives

Various schemes have been announced by the Indian Government including (a) Ayushman Bharat and (b) the National Commission for Allied and Healthcare Professions Bill 2021, which aims to create a body that will regulate and maintain educational and service standards for healthcare professionals. In addition to programmes and schemes related to core healthcare sector, the Government has also launched programmes to develop manufacturing infrastructure to support smooth and low-cost raw material supply to pharmaceuticals industry. The PLI scheme is designed to encourage domestic production of 50 key APIs. The list is dominated by anti-infectives, but also includes several cardiovascular drugs. In terms of pharmacy services, the number of Jan Aushadhi stores has increased from 100 in CY14 to 7,800 in CY21.

#### Increasing life expectancy

As per the United Nations, the current life expectancy for India in CY22 is estimated at 70.2 years, a 0.3% increase over CY21. Life expectancy for India was 62.3 years in the CY2000 and is expected to reach 74.9 years in CY50. As of CY11, the proportion of population over the age of 60 years was 8% which is set to increase to approximately 11.5% by CY26 and approximately 15% by CY36.

#### Growth in lifestyle diseases

Chronic segment in IPM has grown at a relatively faster rate of 11.97% CAGR compared to the overall IPM (10.14%) over FY18 - MAT December 22. Market share of chronic segment increased from 34.71% in FY18 to 37.53% in MAT December 22 (Source: IQVIA TSA MAT Mar'20, IQVIA TSA MAT Dec'22). Major chronic therapy areas such as cardiovascular and anti-diabetic are expected to continue to grow at 11-13% CAGR over the next five years, driving the growth in IPM (Source: IQVIA Market Prognosis - September 2021, IQVIA Analysis).

#### Growth in partnerships and co-marketing agreements

Partnerships and co-marketing agreements between Indian and foreign companies are expected to increase over the next five years, reflecting benefits for both originator and local partners. Such alliances will drive rapid and broader market penetration for new brands or an increase in sales for more established products.

#### Increase in health insurance coverage

The Indian Government's Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) health insurance scheme, will drive healthcare access for patients and improve health outcomes over the forecast period. According to the Insurance Regulatory and Development Authority of India (IRDAI), over 500 million people (which is approximately 38% of the Indian population) were covered under some form of health insurance policy as of 2020. Post the pandemic, there has been increased acceptance of health insurance among people, leading to further increase in insurance penetration. (Source: National Health Profile)

### Indian Consumer Healthcare Industry <sup>7</sup>

The Consumer Healthcare market in India primarily comprises categories such as (a) vitamins and dietary supplements, (b) OTC products across varied therapy areas (anti-tussive, antacids / gastroenterology, dermatology, among others), (c) condoms and other contraceptive products, and (d) herbal/ traditional products. The Consumer Healthcare segment has witnessed and is expected to continue to witness value-growth in the range of 10%-11% on account of the following growth drivers:

#### Demand-side drivers

- New lifestyle patterns increasing the prevalence of disorders that can be treated / managed by consumer healthcare products
- Rising consumer awareness about preventive healthcare and limited availability of prophylactic / preventive products within allopathy
- Rising income and willingness to spend on wellness
- Increasing awareness / inclination within Indian population to use products labeled as 'natural'
- Brand loyalty leading to recall and high growth (consumer brand recognition also drives prescription growth and vice versa)

#### Supply-side factors / initiatives by pharmaceutical companies

- Efforts on part of consumer healthcare companies to generate evidence (through scientific papers / RWE studies) on the benefits of consumer healthcare products
- Aggressive marketing and category creation (for instance – intimate hygiene) by existing players as well as several start-up companies that have entered consumer healthcare space
- Pharmacy retail reach to push consumer products (e.g., POS counter has high potential for contraceptives)
- Product innovation in terms of dosage forms (for instance- sprays) and introduction smaller pack sizes
- Emergence of new channels (e-pharmacies, dedicated channel players focused on wellness and nutrition). The prevalence of self-medication has increased in the wake of the COVID-19 pandemic – especially among patients seeking refills of drugs for the treatment of chronic conditions.
- The number of households using e-pharmacy services, which rose by a factor of 2.5 during the initial

COVID lockdown, had reached almost nine million by May 2020 according to a study by the Federation of Indian Chambers of Commerce and Industry (FICCI). A further increase in e-pharmacy platform traffic has been observed during the second wave of COVID infections (Source: IQVIA Market Prognosis - September 2021)

- The e-pharmacy boom has attracted major new investors in the sector and these increased partnerships indicate future growth potential.

#### Key success factors in Consumer Healthcare

Pharmaceutical companies that have established large brands (INR 500 million and above in annual sales) have typically demonstrated the following key success factors:

- Chemist engagement (including product detailing to chemists)
- Continual engagement with prescribers
- Significant spend on mass promotion (through both mass media (including digital media) as well as targeted campaigns at clinics, residential complexes, as appropriate)

### Company Overview

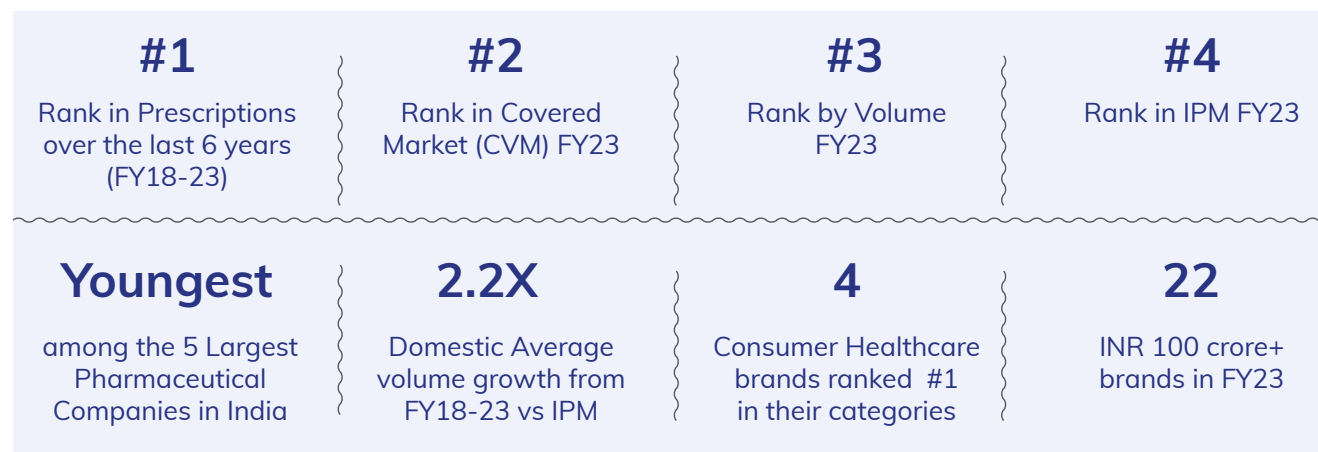
Mankind Pharma Limited (Mankind), commenced operations in 1995 and is the fourth largest pharmaceutical Company in India in terms of domestic sales and the third largest in terms of sales volume for FY23. The Company focuses primarily on the Indian market, where it develops, manufactures and markets a wide range of pharmaceutical formulations for acute and chronic therapeutic areas, as well as consumer healthcare products.

The Company is driven by the core values of Affordability, Quality and Accessibility backed by its strong in-house manufacturing capabilities across 25 state-of-the-art sites and commitment to scientific excellence through its six dedicated R&D units. The Company offers exceptional healthcare solutions for a wide range of healthcare needs with a diverse portfolio that includes anti-infectives, cardiovascular, gastrointestinal, anti-diabetic, neuro/CNS, vitamins, minerals and nutrients and respiratory therapies. The Company also has a consistent track record of developing and expanding in-house brands.

The Company's strategic expansion in chronic therapeutic areas led to higher growth rates compared to the IPM. Domestic sales from chronic therapeutic areas have steadily increased from approximately 28% in FY18 to approximately 34% in FY23.

<sup>7</sup> <https://investmentbank.kotak.com/downloads/mankind-pharma-limited-RHP.pdf>





Source: IQVIA MAT March 23

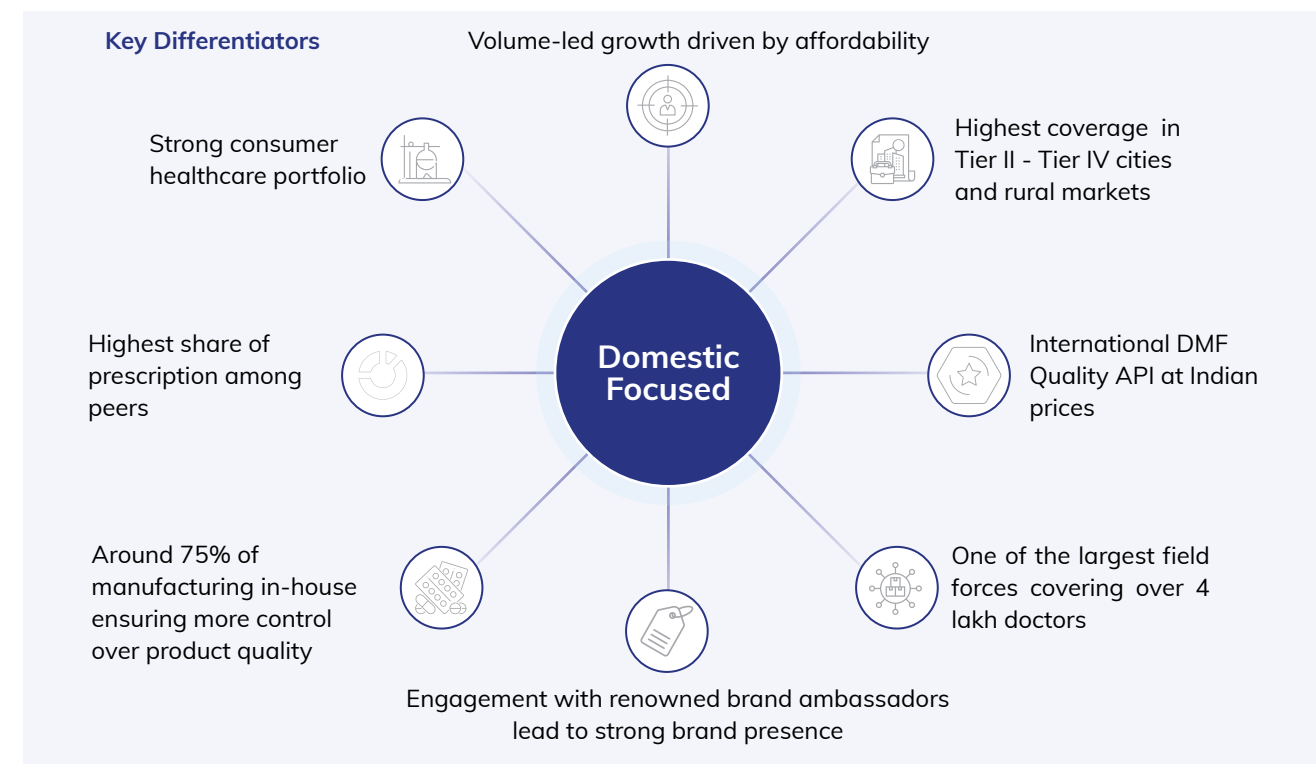


**Brands worth over INR 100 crore**

BRANDS	INR crore	5 Year Revenue CAGR
MANFORCE	427	21%
MOXIKIND-CV	347	13%
UNWANTED-KIT	218	17%
DYDROBOON	209	156%
PREGA NEWS	205	25%
AMLOKIND-AT	194	15%
GUDCEF	183	18%
CANDIFORCE	172	5%
GLIMESTAR-M	167	14%
CODISTAR	146	29%
NUROKIND-GOLD	137	15%

BRANDS	INR crore	5 Year Revenue CAGR
NUROKIND-LC	131	16%
NUROKIND PLUS-RF	121	10%
CEFAKIND	119	19%
ASTHAKIND-DX	118	28%
TELMIKIND	117	17%
TELMIKIND-H	117	12%
VOMIKIND	115	19%
TELMIKIND-AM	114	28%
UNWANTED-72	113	20%
MONTICOPE	112	17%
GUDCEF-CV	109	18%

Source: IQVIA MAT March 23



**Key Strengths**

**Focus on domestic business**

The Company is domestic focused with domestic revenues contributing to 97% of the total revenue from operations in FY23. The Company has one of the largest domestic franchises across value (fourth rank with market share of 4.4% in FY23, up from eighth Rank with market share of 3.3% in FY12); volume (third rank with 5.5% market share) and prescriptions (first Rank with 15.5% share). It is one of the youngest companies in the Top 5 of the IPM.

**Volume-driven growth with increasing reach**

The Company is one of the fastest growing companies among the 10 largest corporates in the IPM. The Company's volume growth has been 2.2X the average volume growth of the IPM in FY18-23. This success is attributed to affordability of its medicines, expansive distribution network, large field force, and strong presence among doctors, making the Company one of the industry leaders. The Company believes that volume growth represents a higher quality of business as it is backed by higher prescriptions and therefore more sustainable.

**Strong corporate identity with growing franchise of scaled brands**

The Company's sustained growth and outperformance in the IPM reaffirm its market leadership and this is also reflected in the growth of scaled brands. In FY23, 37 brand

families had achieved revenues of over INR 50 crore of which 11 brand families had achieved revenues of over INR 200 crore as against 29 brand families and 7 brand families in FY20 with revenues over INR 50 crore and INR 200 crore, respectively. Notably, 19 of its top 20 bestselling brands rank among the three highest-selling brands in their respective molecule groups. Further, 22 of its brands are among the 300 highest-selling brands in the IPM. The Company is one of the youngest to have built such brands of scale among the top Pharma companies in India.

Mankind has a strong corporate identity with strategically selected national and regional brand ambassadors who reflect the core values of the Company and which helps enhance brand recall. Going forward, the Company will continue to leverage the corporate brand Mankind which creates synergistic benefits across both pharma and consumer segments.

**Highest share of prescriptions leading to more sustainable business**

The Company has consistently generated the highest number of prescriptions as compared to its peers in India for each of the last six years. From 14.9% share in FY18, the Company's prescription share has increased to 15.5% in FY23. Having a leadership position in prescription shares creates a circular network effect, where doctors prescribe products and pharmacists in turn favour brands that they believe doctors will prescribe or that patients would prefer. This creates a more sustainable and resilient long-term business for the Company.

Source: IQVIA MAT March 23



**Lower exposure to NLEM products**

The National Pharmaceuticals Pricing Policy, 2012, sets out the principles for pricing essential drugs as specified in the National List of Essential Medicines – 2011 ('NLEM'), to ensure the availability of such medicines at reasonable prices. Approximately 14% of the domestic sales of the Company was attributed to the sales from such price control products, which is one of the lowest in the industry.

**Building fast growing consumer healthcare franchise**

In 2007, the Company entered the consumer healthcare business, establishing itself as a leader in various

categories. Its differentiated brands in the condoms, pregnancy detection, emergency contraceptives, antacid powders, vitamin and mineral supplements and anti-acne preparations categories have gained significant market share. The Company has consistently invested in brand building by focused print, TV and digital campaigns to enhance brand recall in the consumer healthcare franchise. This has been achieved through targeted initiatives including marketing and visibility initiatives and also rural initiatives to enhance brand engagement and recall with customers. This strategy has paid dividends and the Company today has four brands which are market leaders in their respective categories.



**MANforce**  
Condoms

**#1**  
Condom Brand

**30%**  
FY23 Market Share

**Prega News**  
Pregnancy Detection Card

**#1**  
Pregnancy Test Kit Brand

**82%**  
FY23 Market Share

**GAS-O-FAST**  
GACHETS

**#2**  
Antacid Brand

**7%**  
FY23 Market Share

**UNWANTED-72**

**#1**  
Emergency Contraceptive Brand

**62%**  
FY23 Market Share

**HealthOK**  
MULTIVITAMIN TABLETS

**#8**  
VMN Brand

**3%**  
FY23 Market Share

**AcneStar**  
Gel

**#1**  
Medicated Acne Brand

**35%**  
FY23 Market Share

Source: IQVIA Retail, MAT March 23



### Pan-India market and distribution coverage with focus on affordability and accessibility

The Company has a pan-India presence operating through one of the largest distribution networks of 13,000+ stockists and 75 C&Fs across the country. The core value proposition of the Company has been Affordability, Quality and Accessibility which has established the Company's presence both in the price-conscious Tier II-IV towns and rural markets and also in the strategically important Metro and Tier I towns. The Company's national presence is corroborated by its sales distribution with 35%, 23%, 23% and 19% of domestic sales coming from North, West, South and East, respectively.

### Fast-growing diversified portfolio

The Company's growth is broad-based across all leading acute and chronic therapy areas, having outperformed IPM acute and chronic growth by 1.5X and 1.3X respectively in FY23. Within the therapeutic segments, its portfolio is diversified, with the anti-infectives segment contributing 15% of the revenues. The Company has consistently grown faster than the IPM in most of the therapeutic segments it operates in.

Share of Therapeutic Segments in Portfolio

Therapy	% of sales	FY20-23 CAGR	
	Mankind	Mankind	IPM
Anti-Infectives	15%	11%	8%
Cardiac	13%	17%	11%
Gastro-Intestinal	11%	11%	12%
Respiratory	9%	16%	12%
Vitamins	8%	9%	10%
Anti Diabetes	8%	6%	8%
Gynaecology	8%	30%	12%
Dermatology	6%	1%	7%
Urology	5%	17%	12%
Pain	5%	5%	11%
Others/ (Balance)	12%	13%	10%
<b>TOTAL</b>	<b>100%</b>	<b>13%</b>	<b>10%</b>

### Affordable and accessible offerings

Introducing formulations and healthcare brands that are easily accessible and affordable for the masses is the foremost priority of Mankind. With a robust marketing and distribution network, the Company continues to widen its consumer outreach and market presence throughout the country.

### Capital efficiency

The Company's consistent growth is supported by its capital efficiency, with a Return on Capital Employed (ROCE Ex-Cash) of 25.1% in FY23.

### Growth Strategies

#### Increasing the value of prescription in existing markets of strength

The Company has one of the highest coverages and reach in the Tier II-IV and rural markets among peers with around 47% contribution from these markets as compared to 36% contribution in IPM in FY23. This is backed by one of the highest doctor coverage of more than four lakh doctors among domestic companies. The Company is focused on increasing the overall value and share of prescriptions among doctors in these markets by extending value-added services to doctors.

#### Increasing share of Chronic Segment

The Company is focused on increasing its covered market presence (CVM) in the IPM. From ~60% in FY18, the CVM share has increased to ~68% in FY23 and the Company has various initiatives to increase this further going ahead. These include sharper focus on increasing presence in more profitable chronic therapeutic areas as the chronic segment has a higher growth profile given the rising prevalence of chronic diseases due to lifestyle changes and rising income levels in India. The strategy to increase chronic share has gained momentum with the launch of focussed dedicated speciality divisions and is reflected in the increase in chronic coverage to 34% in FY23 from 28% in FY18. In FY23, Mankind's chronic segment outperformed the IPM chronic growth by 1.3X.

The strategy to increase chronic share is multi-pronged. The Company is looking at launching products in white spaces in existing therapies like anti-diabetes, cardiovascular, CNS, respiratory and so on, by best-in-industry customer coverage of doctors, stockists and chemists through innovative product and marketing techniques. For example, the Company has recently launched multiple chronic products with DMF grade APIs at Indian prices to create a distinct value proposition in the chronic segment. The Company is also planning to expand into new therapeutic segments like urology, nephrology and more. This will be complemented by an aggressive in-licensing strategy and opportunistic acquisitions in the chronic segment.

#### Focus on increasing penetration in Metro and Tier I cities

Mankind's next phase of growth comes from expanding its reach in Metro and Tier I cities. Currently, the contribution from these markets is 53% for the Company as compared to 64% for the IPM. It plans to engage key opinion leaders and corporate hospitals through a dedicated team of regional medical advisors. Additionally, a specialised team has been appointed to cater to the critical care segment in hospitals.

Source: IQVIA MAT March 23

The recently launched speciality divisions in cardiovascular, cardio-diabetology, neurology, ophthalmology, respiratory, gynaecology, critical care and transplant and oncology will also contribute to increasing penetration in Metro and Class I cities.

#### Grow Consumer Healthcare business

The Company has aggressive plans to expand its consumer healthcare business and increase the market share of key consumer healthcare brands, such as Manforce, Prega News and Gas-o-Fast. The Company will leverage existing brand equity to launch brand extensions. There is a focus on new initiatives in distribution models, including modern trade and e-commerce channels. The Company has a robust plan to also move certain Rx to OTC/OTC switches after they reach critical mass. The recently acquired Upakarma Ayurveda also allows the Company to establish a direct-to-customer channel in the Ayurvedic medicine category.

#### Focus on building alternative channels for growth

To expand market share, the Company will focus on alternative growth channels, including e-commerce and other contemporary trade channels. The increasing use of e-pharmacies during the pandemic indicates substantial growth potential in this sector. A specialised team has been established to manage strategic alliances with key channel intermediaries, ensuring the availability of products and minimising the substitution of competitor products.

#### Continue to develop and invest in digital platforms to enhance doctor engagement

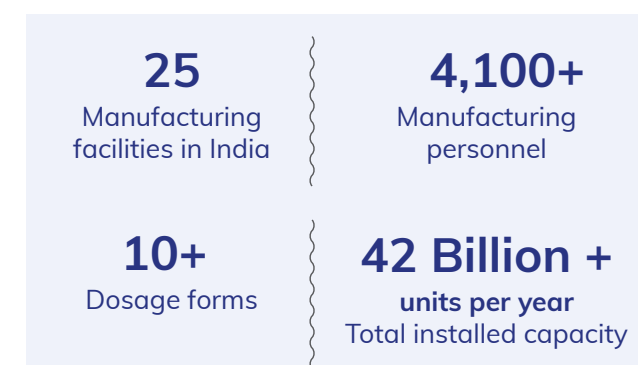
The Company has developed digital platforms to improve doctor engagement. DrOnA Health enables virtual consultations and interactions between doctors and patients. Docflix is an OTT platform exclusively for doctors, providing reliable and engaging medical content. Mankind Connect serves as a knowledge dissemination channel for healthcare providers. It has also launched Prana, a virtual patient assistance chatbot. These digital initiatives aim to facilitate relationships with doctors and healthcare providers, enhance brand recall and foster customer loyalty. The Company's future plans include expanding digital platforms to cover additional therapeutic areas and developing telemedicine platforms and other technology infrastructure to further promote doctor engagement.

### Our Operations

Mankind has 25 manufacturing facilities strategically situated across India, in the states of Himachal Pradesh, Sikkim, Rajasthan, Andhra Pradesh, Maharashtra and Uttarakhand. Their formulation manufacturing sites have a total installed capacity of 42 Billion+ units every year across a wide range of dosage forms, including tablets, capsules, syrups, vials, ampoules, blow-fill seals, soft and

hard gels, eye drops, contraceptives and other over-the-counter products.

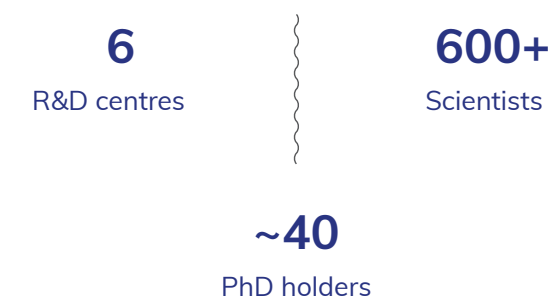
The Company's competitive advantage stems from the fact that ~75% of products are manufactured in-house, ensuring more control over quality, delivery timelines, and supply chain management. Further, the Company has manufacturing facilities that adhere to rigorous regulatory standards with sites that have obtained accreditations from the US Food and Drug Administration (USFDA) along with certificates from the European Medicines Agency (EU GMP), ANVISA (Brazilian Health Regulatory Agency), World Health Organisation (WHO) and Pharmaceutical Inspection Cooperation Scheme (PIC/S) Good Manufacturing Practice (GMP) guidelines.



By prioritising quality, safety and efficacy, the Company strives to meet market demands and make innovative healthcare solutions accessible to customers across India and beyond. With an extensive manufacturing footprint and a steadfast commitment to regulatory requirements, the Company is well-positioned to unlock the next phase of growth in the future.

For locations of manufacturing sites, refer to Page number 36-39 in the Non-Statutory section.

### Research and Development (R&D)







The Company and its subsidiaries operate 6 R&D centres with units located in Haryana, Maharashtra, Himachal Pradesh and Uttarakhand. One of these units has been recognised by the DSIR, while another unit complies with the WHO GMP standards and has undergone inspection by the US FDA.

Mankind's R&D operations comprise various divisions, including drug discovery, generic APIs, formulations and biotechnology. The Company has dedicated teams for intellectual property, global regulatory compliance, clinical research and biopharmaceuticals. One of its R&D centres houses a USFDA approved commercial testing laboratory that is also GLP certified and accredited by the NABL, ensuring additional quality checks for the Company's products throughout their lifecycles. With over 600 scientists, including approximately 40 holding PhD degrees, Mankind's R&D team focuses on developing niche APIs, and complex generic formulations, while enhancing the quality and efficacy of its existing products through consistent product and process improvements.

Mankind's unwavering focus on R&D aims to deliver advanced pharmaceutical solutions while also expanding its market presence with innovative approaches to drug formulation and delivery.

#### Formulation development

The Company has robust in-house capabilities to develop complex generics in various dosage forms, including complex parenteral, complex ophthalmic solutions, suspensions and gels. It has filed one Investigational New Drug Application for an anti-diabetic new chemical entity (NCE) molecule, which is currently undergoing

phase I clinical trials. Further, the Company has two NCE molecules targeting autoimmune diseases and non-alcoholic steatohepatitis in the pre-clinical stage.

The Company is actively involved in the development of novel drug delivery systems for inhalation solutions and pulmonary drug delivery, encompassing dry-powder inhalers, metered-dose inhalers and oral films. It is also building its capabilities in the product portfolios consisting of NCEs and Paragraph IV products.

#### API Research

The Company specialises in the manufacturing of Active Pharmaceutical Ingredients (APIs) and employs a combination of processes to expand its product range and cater to different market demands. These processes include various reaction mechanisms such as nitration, Grignard reactions, halogenation, Friedel-Crafts acylation, oxidation and reduction, utilising a range of catalysts. This diverse approach enables the Company to produce APIs at different scales, ranging from laboratory-scale research to commercial production.

The Company's team of scientists possesses extensive expertise in several areas of chemistry, including chiral chemistry, polymer-based chemistry, peptide chemistry and the synthesis of complex products. These areas of expertise cover a wide range of therapeutic areas, including antihypertensive, antibiotic, antipsychotic, antacid, antianginal and antithrombotic drugs. The fact that Mankind is the first Indian Company and second in the world to introduce the synthetic hormonal API known as 'Dydrogesterone' into the market is truly remarkable.

#### Analytical R&D

**32\***  
ANDA  
approvals  
\*Till March 23

**55\***  
ANDAs filed  
\*Till March 23

The analytical R&D team conducts comprehensive stability and degradation studies on APIs and various drugs. Their role encompasses supporting all phases of pharmaceutical development, which includes-

- Providing method development and validation services for a diverse range of analytical technologies
- Formulating complete specifications for raw materials, APIs, finished products, intermediates and excipients
- Conducting in-house tests to ensure strict control over pharmacopeial materials and products
- Carrying out stability studies on APIs and formulations in accordance with relevant guidelines
- Analysing active ingredients and essential raw materials

#### Procurement Practices

**92%**  
Inputs procured  
sustainably

**~10%**  
Raw materials sourced  
from local suppliers\*  
\*Sikkim plant

The Company ensures seamless operations by streamlining its supply chain. It identifies and approves local suppliers to source essential raw materials. Employing a diversified procurement approach helps minimise inherent risks in the supply chain and enables the Company to utilise indigenous suppliers, reducing its reliance on imported materials. Further, the Company prioritises vendors who comply with good manufacturing practices and adopt eco-friendly production processes.

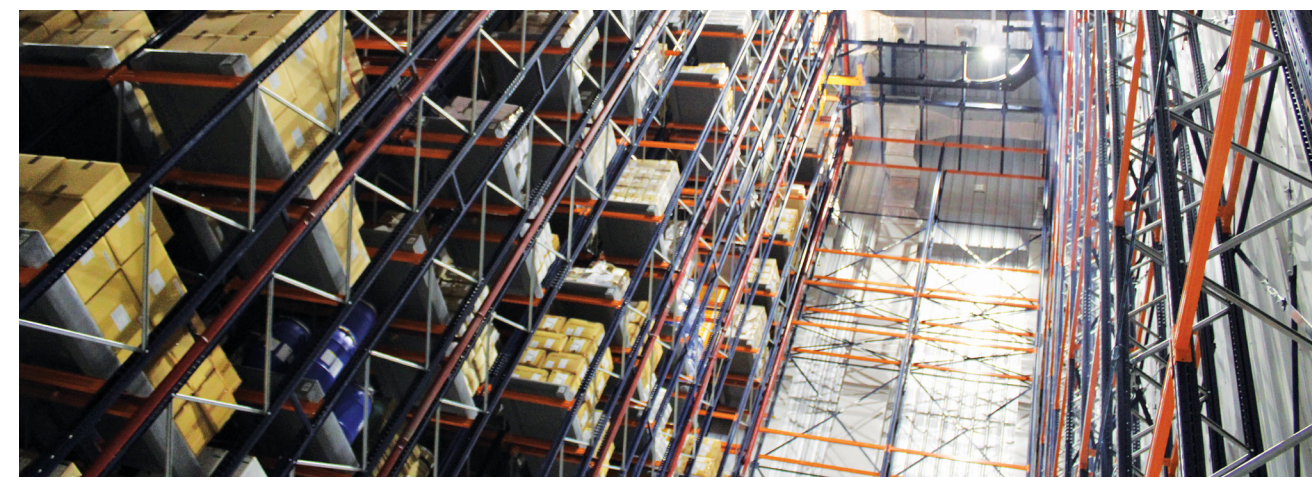
#### Supply Chain

The supply chain of Mankind is robust, compliant and efficient, spanning the entire country. To streamline and optimise its supply chain processes, Mankind has implemented various tools and systems.

The Company uses the Advance Available to Promise (AATP) tool, which helps assess market demand and process back orders at all points of sale. This ensures that sales losses are minimised and customer demands are met efficiently. Mankind has also implemented a Vendor Portal system, enhancing capabilities and integration with suppliers, while improving communication and coordination throughout the supply chain. They have adopted Robotic Process Automation (RPA) for distribution replenishment based on the Theory of Constraints (TOC), enabling more effective planning and allocation of resources.

To enhance data transparency and facilitate quick decision-making, Mankind employs data visualisation tools such as Tableau. This allows for the visual representation of supply chain data, enabling easy analysis and insights. The Company follows demand planning processes in accordance with industry standards, incorporating outside-in perspectives from progressive consultancies. It also employs saddle point management sample processes to identify and address bottlenecks and inefficiencies in the supply chain.

In the years ahead, the Company has planned several initiatives. These include inbound and outbound automation of warehouses using scanning technology, the implementation of Vendor-Managed Inventory (VMI) systems, automation in product expiry management at points of sale and the adoption of digital demand planning and forecasting tools. Additionally, the Company focuses on inventory management and safety stocks at depots and points of sale, daily monitoring of finished goods shortages to prioritise supplies, reconciliation of orders, establishing Sales and Operations Planning (S&OP) forums to manage exceptions in demands and implementing governance mechanisms to track non-moving SKUs.





## Human Resources

The Company understands that its personnel are the true contributors to its success and therefore strives to create a conducive environment for their development. Through a holistic approach to hiring, regular training programmes and employee engagement initiatives, Mankind aims to upgrade the skills of its workforce and enhance its productivity, while meeting stringent quality and safety standards. The Company also recognises the valuable contributions of its team members by rewarding them with performance-linked incentives and benefits.

### Talent acquisition and retention

To attract and retain top talent, the Company has implemented several initiatives:

#### Talent acquisition



##### Campus Hiring

Collaborating with educational institutions to identify and recruit promising young talent



##### Focused Lateral Hiring

Targeted recruitment strategies to acquire experienced professionals with specific skill sets



##### Walk-ins and Job Fairs

Engaging with job seekers through direct interaction and recruitment events



##### Employer Branding

Improving our reputation as an employer through enhanced Glassdoor ratings, social media presence, and recognition as the best place to work



##### Fortune Award

Being recognised as a leading company in the industry, which enables us to attract top talent

#### Retention



##### Mankind Ladder

In-house talent retention and growth initiative, providing opportunities for internal career progression



##### Buddy Scheme

Pairing new joiners with experienced team members to facilitate seamless integration into the organisation



##### Employee Recognition

Rewarding and recognising outstanding contributions through formal recognition programmes



##### External Training and Participation in Forums

Encouraging employees to attend external training programmes and participate in industry forums to expand their knowledge and network



##### Employee-Centric Policies

Implementing policies that prioritise the well-being and satisfaction of our team members



##### Higher Education and Sponsorship programme

Supporting team member's pursuit of higher education through partnerships with renowned universities



##### Flexi Work Hours and Hybrid Working

Offering flexible work arrangements to promote work-life balance and adapt to changing work environments



**22,000+**  
Total employees



**11,691**  
Medical representatives



**3,561**  
Field managers

## Opportunities and Threats

### Opportunities

#### Enhance market presence with innovative product offerings

Building upon its existing market presence, Mankind can further expand its reach by launching new products in speciality therapeutic areas such as oncology, cardiovascular, neurology, respiratory, ophthalmology, gynaecology, anti-diabetic and more.

#### Seek strategic partnerships for portfolio diversification

Mankind can actively pursue in-licensing, acquisition, or co-development prospects with other pharmaceutical companies seeking to expand their product base in India. The Company has successfully acquired and integrated brands of Panacea Biotec, the dermatology brand (Daffy) and respiratory brand (Combihale) from Dr. Reddy's Laboratories in FY22. It has also successfully in-licensed Remogliflozin Etabonate tablet from Glenmark

Pharma and Sacubitril/Valsartan tablet from Novartis. By collaborating with partners and strengthening its therapeutic portfolio, the Company can foray into new products/segments, while offering patients with a wider selection of treatment options.

#### Drive innovation in drug development

Mankind can continue to prudently invest in R&D for introducing new chemical entities and difficult-to-manufacture molecules that address unmet medical needs. The Company was the first Indian Company to launch the complex drug 'Dydrogesterone' and also has 3 NCE programmes under development. Further, it is also working on several biosimilars (including monoclonal antibodies). This approach will not only differentiate the Company's offerings, but also position it as a leader in advanced treatments.

#### Strengthen presence in Metro and Tier I cities

To increase penetration in key urban areas, Mankind can prioritise engagement with key opinion leaders (KOLs) and corporate hospitals. Through regional medical advisors, the Company can foster collaborative relationships and gain visibility in cities, including Delhi NCR, Bengaluru, Mumbai, Hyderabad, Cochin, Chennai and Kolkata. This targeted approach will help the Company capture a larger market share in these prominent regions.

#### Accelerate growth in the Consumer Healthcare business

Leveraging emerging opportunities and synergies across businesses, Mankind can prioritise the growth of its Consumer Healthcare segment. By expanding its distribution channels and gaining market share for existing brands, the Company can capture a larger portion of the consumer healthcare market and drive overall business growth.

### Threats

#### Increasing competition in the generics market

The growing demand for cheaper generic alternatives poses a threat to branded drugs. With more people opting for generics, there is a risk of reduced market share and profitability for branded drug manufacturers. The Company needs to ensure that customers choose its branded products over cheaper alternatives, primarily owing to the quality and affordability of its products.





**Intensified channel consolidation and rise of white-label products**

The pharmaceutical industry's ongoing channel consolidation trend may lead to conflicts of interest. Modern channels of trade may prioritise their own products (white label) over competitors, resulting in patients having limited access to essential medications. The situation poses a threat to the Company's market reach and distribution network. It is critical for the Company to strengthen connections with key channel partners and ensure that its products are accessible to all customers. Also, these white label products may raise concerns related to trademark infringement and regulatory compliance. The Company needs to closely monitor the market and take appropriate

measures to protect its brand integrity and ensure compliance with regulatory requirements.

**Pricing changes and Government regulations**

Changes in pricing regulations, such as the Drugs Prices Control Order (DPCO) and the National List of Essential Medicines (NLEM), can have a direct impact on the Company's profitability. Price reductions mandated by regulatory bodies can reduce revenue and limit the Company's ability to invest in R&D. The Company should closely monitor pricing regulations, adapt its pricing strategies and explore opportunities to optimise costs and maintain profitability, while ensuring affordable access to quality medicines for patients.

**Risk Management Approach**

The Company has a risk management committee that identifies internal and external risks that are particular to the business, such as financial, operational, sectoral, sustainability-related risks (especially those involving ESG), informational, cybersecurity and other risks. The committee is in charge of overseeing and directing the implementation of the risk management policy. In addition to techniques and procedures for internal control of identified risks, the committee also evaluates the efficacy of existing risk management processes and systems for risk reduction. It also ensures that the appropriate protocols, frameworks and methodologies are in place to track and assess risks associated with the Company's operations. The risk management committee reviews the risk management policy regularly and recommends any modifications to the risk management approach.

Risks	Mitigation strategies
<p><b>Regulatory challenges</b> Ensuring compliance with regulatory and ethical obligations is of utmost importance. The dynamic nature of the regulatory environment has led to increased scrutiny and higher expectations from stakeholders regarding compliance. Failing to comply with regulations can adversely affect the Company's operations and reputation.</p>	<p>The Company has a robust compliance management system in place to ensure awareness and compliance. The Company has invested in benchmark processes and procedures that are accessible to all employees with the intent of fostering compliance throughout the workplace. The roles and responsibilities have been clearly defined to guarantee precise scrutiny and compliance.</p>
<p><b>Supply chain challenges and rising input costs</b> Business operations are susceptible to disruptions in the supply chain, which can impact the Company's operations. If the cost of manufacturing rises, margins can be adversely affected by increasing input costs.</p>	<p>The Company is exploring alternative sources of raw materials to ensure a reliable and cost-effective supply chain, mitigating the uncertainties associated with global supply chains.</p>
<p><b>Fluctuations in foreign exchange and interest rates</b> Fluctuations in the foreign currency rate will impact the Company's revenue generated from its international business, thereby affecting its overall profitability. Since the Company purchases certain raw materials from sources outside of India, the cost of production will rise. Interest rate fluctuations will also raise the cost of borrowing with floating interest rates. These will also have an impact on the Company's liquidity.</p>	<p>Mankind does not have any major Forex exposure in terms of exports and imports. The exports amount to ~3% of the total Turnover of Mankind. The imports are also in the range of 4-5% of the total Cost of Goods Sold (COGS) of the Company. As such, the fluctuation in foreign exchange/currency rates does not have major impact on the Company's profitability.</p> <p>Currently, Mankind does not have any loan in foreign currency, hence the risk of fluctuation in foreign currency interest rates does not exist.</p> <p>Going forward, if the foreign currency exposure increases, the Company will review and implement appropriate hedging mechanism.</p>

Risks	Mitigation strategies
<p><b>Environmental, health and safety</b> The pharmaceutical sector is significantly impacted by climate conditions. Given the Company's focus on healthcare, maintaining a zero-risk approach to health and safety is of utmost importance. Failure to comply with domestic and international regulations in these areas can disrupt business operations.</p>	<p>The Company has implemented measures to address environmental, health and safety risks. This involves the installation and commissioning of full-fledged waste water treatment units followed by waste water recycle units and the development of green belts. All factories are equipped with fire protection and prevention systems. Mock drills are regularly conducted. Fire fighters and first aid members are present in our premises. Training is also provided to both employees and contractual workers to ensure compliance with the best EHS practices.</p>
<p><b>Quality, product development and launch</b> Ensuring high-quality standards is crucial to avoiding compromised product quality and potential health risks. The Company recognises the risks involved in new product development, such as substantial upfront investment, clinical trials, competition from other companies and potential patent disputes.</p>	<p>The Company has implemented a dedicated quality assurance team consisting of 805 individuals, who are responsible for overseeing quality operations at manufacturing facilities. They enforce rigorous controls on equipment, finished products and vendor samples, ensuring compliance with approved standard operating procedures. Further, along with cost reduction and control efforts, the Company has enhanced operational efficiency and undertaken initiatives to elevate quality control standards.</p>
<p><b>People risk</b> For sustained efficiency and profitability, the acquisition and retention of a competent workforce are necessary.</p>	<p>The Company has implemented a comprehensive recruitment procedure to hire employees across all levels of the organisation. The procedure includes thorough assessment methods that prioritise employee engagement and ensure consistency in work content. Individual performance is evaluated through Performance Management System (PMS) and accordingly rewarded on an annual basis. These practices are diligently followed to maintain fairness and transparency in the compensation process.</p>
<p><b>Patent risk</b> Business operations could be impacted by the inability to defend patent challenges or third-party agreements.</p>	<p>The Company conducts comprehensive due diligence prior to entering into any agreements and includes detailed terms and conditions in its development or commercial agreements with third parties.</p>
<p><b>Intense competition</b> The Company faces stiff competition from e-pharmacies and other businesses, which directly impacts its revenues. The Company's activities may be affected in light of a dynamic market and intensifying competition with local and international businesses.</p>	<p>To stay ahead of the curve and maintain its profitability, the Company consistently upgrades its manufacturing facilities with advanced equipment and technology. It strives to optimise production costs, ensuring a competitive advantage and healthy profit margins. Additionally, the Company pursues new product registrations and regulatory approvals to expand its product range.</p>
<p><b>Price control risk</b> Adoption of the tender system and other price control strategies ultimately result in decreased revenue and profit. Moreover, specific products may be subjected to price control restrictions imposed by the Government.</p>	<p>Mankind adheres to regulatory and ethical guidelines when determining pricing strategies. To mitigate the risk associated with pricing, the Company focuses on expanding its production volume. In FY23, Mankind has achieved a volume growth rate of 2.6%, surpassing the industry average of 0.1%*.</p> <p>The Company's products are priced considering all essential aspects, including affordability. These help generate a higher number of prescriptions, which ultimately contributes to the Company's success.</p>
<p><b>Cybersecurity/data privacy risk</b> Data privacy and cybersecurity regulations not only require safeguarding customer data, but also enforcing obligations to ensure the quality, integrity and governance availability (CIA) of data, which involves limitations on data acquisition and usage, as well as appropriate data retention/restoration and disposal practices.</p>	<p>Through software and hardware training, the Company aims to continuously enhance its technologies, facilities and machines to align with global standards. The Company prioritises info security by implementing access restrictions and employing multi-factor authentication measures. These measures are designed to prevent cyber adversaries from gaining unauthorised access to the Company's devices, networks and sensitive information.</p>

\*Source: IQVIA MAT March 23





## Environmental, Health and Safety (EHS)

### Environment

Mankind is committed to environmental sustainability and has implemented various initiatives to minimise its ecological impact. The Company has installed solar panels at its manufacturing units, adopted eco-friendly practices by replacing some of the solvent-based final products with aqueous-based alternatives and implemented UF/RO systems for the recycling of treated water.

The Company has taken several initiatives to reduce groundwater withdrawal, recycle treated wastewater and use agro-based bio-briquettes for steam generation. The Company focuses on steam condensate recovery to minimise raw water consumption. It also aims to reduce plastic waste by limiting the use of plastic bottles and collecting pre and post consumer plastic waste for recycling.

Mankind collected and reused 8,615 KL of rainwater in its Sikkim unit, further reducing the strain on groundwater resources. For FY24, the Company intends to raise the proportion of recycled wastewater to utilities to 45%.

## 8,615 KL

Collected and reused rainwater

### Circular economy

Mankind actively embraces the circular economy concept. The hazardous waste generated at the Sikkim factory and the non-hazardous ash from the agro-based briquette-fired boiler is sent to cement plants for co-processing, promoting energy recovery while minimising environmental impact. Briquette Boiler Ash generated

from Sotanala site is used for brick manufacturing at third party-approved location.

### Carbon footprint

The Company has installed solar panels, replaced high-energy-consuming systems with more energy-efficient alternatives, replaced pumps and motors with low-energy-consumption motors and installed timers in cooling towers to reduce energy consumption.

### Energy usage

Mankind emphasises the optimum utilisation of plants and machinery to ensure energy efficiency. LED lighting has been implemented across all units and motion sensors have been installed to automatically control lighting in areas where necessary. The Company also maintains a power factor across all manufacturing units, contributing to effective energy management.

## 19%

Reduction in water intensity per million number of tablets in FY23

## 615 MT

Reduction in CO<sub>2</sub> emissions in FY23 from renewable energy sources

## 100%

Plastic neutral according to the EPR Target Plan approved by CPCB

## Health and Safety

To ensure the safety and well-being of its personnel, the Company has implemented several initiatives including comprehensive induction training, identification of training needs in safety, a structured training calendar, evaluation of training effectiveness, regular supervision by area in-charges, active involvement of workers in safety-related tasks and committees, and conducting risk assessment and fire drills. It also emphasises fire prevention and protection systems, conducts EHS promotional activities to boost morale, ensures regulatory compliance, implements visual management practices, manages contractor safety, performs risk assessment and industrial hygiene studies, provides insurance coverage, conducts pre and post-medical examinations, administers immunisations as necessary, and maintains a remuneration policy aligned with employee welfare.

The Company has received two prominent global health and safety certifications: ISO 14001 for environmental management systems and ISO 45001 for occupational health and safety management systems.

It has established multiple channels for workers to report work-related hazards and hazardous activities, including near-miss reporting, internal audits, safety committee meetings, and HIRA processes. Safety audits are conducted on a regular basis, with half-yearly intra-department inspections, yearly audits by an external certification agency, and once every two years by a third-party competent person. There were no major non-conformities specifically identified in these external audits.

## Information Technology

Mankind has implemented an IT governance framework to ensure the effective management and control of its information systems. This framework encompasses various components, including Information Technology General Controls (ITGC) and the Information Security Management System (ISMS). With a dedicated IS Delivery Team comprising over 50 resources spread across multiple locations, Mankind ensures comprehensive coverage of information services, ranging from desk-side support to large-scale projects such as ERP implementation and Industry 4.0 initiatives. The Company leverages various frameworks, tools, and security measures to ensure governance effectiveness and mitigate cyber threats.

## Data Privacy and Cybersecurity Measures

The Company has deployed hardware security tools, including firewall protection and Multiprotocol Label Switching (MPLS) and software-defined wide area network (SDWAN) deployment, to secure its entire network infrastructure. Additionally, various security tools, such as endpoint protection, email security, single sign-on, identity management, and antivirus software, are

deployed to protect against potential threats. Mankind is considering the implementation of a Data Loss Prevention (DLP) solution as part of its roadmap to further enhance data security.

The Company conducts comprehensive security assessments, including black-box testing, grey-box testing and Vulnerability Assessment and Penetration Testing (VAPT), for critical servers, websites and virtual machines. Mankind also intends to deploy ISO 27001 standards to establish a robust data security framework across its operations.

## Corporate Social Responsibility

Mankind is guided by the philosophy of 'Serving Life', which entails offering high-quality products at affordable prices to benefit the society at large.

In keeping with this philosophy, the Company's CSR vision is focused on providing exemplary services to society under the commitment that 'We Are There to Care'.

To achieve its CSR objectives, the Company has identified key areas of focus, which include livelihood enhancement, healthcare and education, among others. The Company has made substantial contributions in its CSR initiatives. These include various livelihood programmes that support the socio-economic upliftment of its local communities and fosters self-reliance and inclusive development. The Company also supports various healthcare projects, which reflect its commitment to improve healthcare access in the communities in which it operates. Further, it recognises the significance of education and its role in shaping a brighter future. Through various initiatives, the Company strives to improve access to quality education, particularly for underprivileged children, enabling them to unlock their full potential and make a meaningful impact on society.

## INR 20 crore

CSR spending in FY23

## Financial review

### Consolidated

#### Revenue

The total revenue from operations, grew by 12.4% to INR 8,749 crore in FY23 from INR 7,782 crore in FY22. The growth in revenue was primarily due to the growth in our domestic business including the Consumer Healthcare segment.

#### EBITDA

EBITDA decreased by approximately 4.5% to INR 1,913 crore for FY23. The decrease has been primarily on account of reduction in Gross margins due to higher API prices,



increase in employee cost due to increase in headcount and one-time cost impact due to business integration costs of brand acquisitions during FY22.

#### Employee Cost

Employee cost increased to INR 1,918 crore in FY23 as compared to INR 1,621 crore in FY22. The increase was mainly due to annual increments given during the year and increase in employee headcount.

#### Other expenses

Other expenses increased to INR 2,017 crore in FY23 as compared to INR 1,750 crore in FY22. The increase was mainly due to higher travelling and conveyance expenses and higher legal and professional charges mainly attributable to the payment of certain business transition fees to Panacea Biotech.

#### Depreciation and Amortisation

Depreciation and amortisation expenses increased to INR 326 crore for FY23 from INR 167 crore for FY22. The increase is primarily due to increase in amortisation of intangible assets, which was mainly attributable to the acquisition of pharmaceutical brands of Panacea Biotech.

#### Finance Cost

Finance cost decreased from INR 59 crore in FY22 to INR 44 crore in FY23.

#### PBT and PAT

PBT has decreased from INR 1,975 crore in FY22 to INR 1,671 crore in FY23. PAT was at INR 1,310 crore with a margin of 15%.

#### Earnings Per Share

Basic and diluted EPS for FY23 stood at INR 32.0 compared to INR 35.8 for FY22. The decrease is primarily due to the reduction in PAT during the year attributable to lower gross margins from higher API prices, higher employee costs and additional costs from the acquisition of pharmaceutical brands of Panacea Biotech.

#### Other intangible assets

Other intangible assets decreased to INR 1,701 crore in FY23 from INR 1,843 crore in FY22.

#### Cash and cash equivalents

Cash and cash equivalents was at INR 305 crore in FY23 from INR 303 crore in FY22.

#### Total non-current liabilities

Total non-current liabilities marked an increase of INR 21 crore to reach INR 229 crore.

### Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e., changes of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations, therefore, the key financial ratios are given below:

Ratios (Consolidated)	FY 2022-23	FY 2021-22
Debtors Turnover (no. of days)	20	17
Inventory Turnover (no. of days)	204	222
Interest Coverage Ratio (times)	35.7	31.4
Current Ratio (times)	2.32	1.68
Debt Equity Ratio (times)	0.02	0.1
Operating Profit Margin (%)	21.9	25.8
Net Profit Margin (%)	15	18.7
Return on Net Worth (%)	17.2	23.3

Current Ratio: Increase in current ratio in FY23 is due to a decrease in current liabilities primarily owing to a decrease in short-term borrowings.

Debt Equity Ratio: Decrease in Debt Equity Ratio during FY23 is primarily due to decrease in Debt on account of repayment of borrowings.

Return on Net Worth: Decrease in RoNW during FY23 is on account of decrease in Profits attributable to Equity holders of the Parent.

#### Outlook

In the years ahead, the Company anticipates a robust expansion of its business operations within the domestic market, with a special focus on the chronic segment and Consumer Healthcare business. Recognising its organisational responsibility, the Company remains committed to investing in CSR activities to foster the development of local communities. The Company is geared to drive significant, system-wide changes that will benefit patients through purpose-driven collaborations in 2023 and beyond. With a steadfast dedication to uphold environmental, social and governance (ESG) principles, Mankind is confident in its ability to operate as an ethical, just and ecologically conscious firm.

The outlook for the Company is optimistic, underscored by its strong track record of consistent growth and profitability. The Company's diversified product portfolio helps it mitigate the risks associated with over-reliance on any specific product or market. As part of its transition to a science-based Company, Mankind is making substantial investments in R&D. This will position the Company favourably to develop innovative products and maintain a competitive edge. The Company is well-positioned to maintain its growth momentum, making it an attractive prospect for long-term investors.

#### Internal Control and Its Adequacy

Mankind has an adequate system of internal controls commensurate with the nature of its business. The Company has adopted policies and procedures covering all financial, operating and compliance functions. These controls have been designed to provide reasonable assurance over:

1. Effectiveness and efficiency of operations
2. Prevention and detection of fraud and errors
3. Accuracy and completeness of the accounting records
4. Timely preparation of reliable financial information
5. Safeguarding assets from unauthorised uses or losses
6. Compliance with applicable laws and regulations

This framework is sound in design and is continuously evaluated for effectiveness and adequacy. The management is committed to ensuring an effective internal controls environment, commensurate with the size and complexity of the business, which provides assurance of compliance with internal policies, applicable laws, and regulations, ensures the accuracy of records, promotes operational efficiency, protects resources and assets and overall minimise the risks.

### Financial Performance

Particulars (In INR crore)	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	8,127	7,486	8,749	7,782
Earnings before Depreciation, Interest, Tax and Exceptional Items	1,697	1,838	1,913	2,004
Profit before Tax	1,563	1,871	1,671	1,975
Profit after Tax	1,248	1,389	1,310	1,453
Basic EPS (in INR)	31.2	34.7	32.0	35.8
Diluted EPS (in INR)	31.2	34.7	32.0	35.8
Cash EPS (in INR)*	38.3	37.7	40.4	39.3



\* Cash EPS is calculated as (Profit for the year attributable to equity holders + Depreciation, Amortisation and Impairment, excluding other operating cash flow items) / Number of Equity Shares



## Disclaimer

The statements may contain forward-looking statements like the words 'believe,' 'expect,' 'anticipate,' 'intend,' 'plan,' 'estimate,' 'project,' 'will,' 'may,' 'targeting' and similar expressions regarding the financial position, business strategy, plans, targets and objectives of the Company. Such forward-looking statements involve known and unknown risks which may cause actual results, performance or achievements to be materially different from results or achievements expressed or implied. The risks and uncertainties inter-alia, relating to these statements include (i) cash flow projections, (ii) industry and market conditions; (iii) ability to manage growth; (iv) competition; (v) Government policies and regulations; (vi) obtaining regulatory approvals; (vii) domestic and international economic conditions such as interest rate and currency exchange fluctuations; (viii) political, economic, legal and social conditions in India/ elsewhere; (ix) technological advances; (x) claims and concerns about product safety and efficacy; (xi) domestic and foreign healthcare reforms; (xii) inability to build production capacity; (xiii) unavailability of raw materials and failure to gain market acceptance.

The Company shall not have any responsibility or liability whatsoever for any loss howsoever arising from this report or its contents or otherwise arising in connection therewith.

# Board's Report

## DEAR MEMBERS,

The Board of Directors ("Board") are pleased to present the 32<sup>nd</sup> Annual Report on the business and operations of the Mankind Pharma Limited ("Company"/"Mankind") along with the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on March 31, 2023 ("FY 2022-23"). This being the first report after the Initial Public Offer ("IPO") and listing of the equity shares on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE hereinafter collectively referred as "Stock Exchanges"), the Board welcomes all the public shareholders and look forward to your faith and support in times to come.

## 1. FINANCIAL PERFORMANCE AND STATE OF AFFAIRS OF THE COMPANY

The Company's financial performance is summarized below: -

Particulars	Amount (INR in Lacs)			
	Year ended March 31, 2023		Year ended March 31, 2022	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from operations	8,12,715.32	8,74,943.30	7,48,622.19	7,78,155.51
Profit before Depreciation and Tax	1,83,241.62	1,99,715.86	1,99,476.38	2,14,121.98
Less: Depreciation and amortization expense	26,957.96	32,591.95	12,332.66	16,661.92
Profit before tax	1,56,283.66	1,67,123.91	1,87,143.72	1,97,460.06
Less: Tax Expenses	31,457.86	36,156.33	48,201.28	52,164.35
Profit after tax	1,24,825.80	1,30,967.58	1,38,942.44	1,45,295.71
Total other comprehensive income/(loss) for the year	(485.89)	(188.75)	(79.39)	94.60
Total comprehensive income for the year	1,24,339.91	1,30,778.83	1,38,863.05	1,45,390.31
Attributable to:				
- Equity holders of the parent	1,24,339.91	1,27,993.16	1,38,863.05	1,43,412.44
- Non-controlling interests	-	2,785.67	-	1,977.87
Opening balance of Retained Earnings	6,62,490.43	6,73,518.84	5,23,627.38	5,30,350.82
Closing balance of Retained Earnings	7,86,830.34	8,01,220.20	6,62,490.43	6,73,518.84

\*Refer Note 49 of Standalone Financial Statement

The operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Section, which forms part of this Annual Report.

The standalone, as well as the consolidated financial statements, have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act"), Indian Accounting Standards ("Ind AS") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### Financial highlights of the Company for the FY 2022-23 is as under:

- The revenue from operations on standalone basis for FY 2022-23 stood at ₹ 8,12,715.32 Lacs as against ₹ 7,48,622.19 Lacs for FY 2021-22, registering a growth of 8.56%. Whereas the profits for FY 2022-23 stood at ₹ 1,24,339.91 Lacs as against ₹ 1,38,863.05 Lacs for FY 2021-22.

- The revenue from operations on consolidated basis for FY 2022-23 stood at ₹ 8,74,943.30 Lacs as against ₹ 7,78,155.51 Lacs for FY 2021-22, registering a growth of 12.44%. Whereas the profits for FY 2022-23 stood at ₹ 1,30,778.83 Lacs as against ₹ 1,45,390.31 Lacs for FY 2021-22.

The Company is engaged in developing, manufacturing and marketing a diverse range of pharmaceutical formulations across various acute and chronic therapeutic areas, as well as several consumer healthcare products. We are focused on the domestic market, as a result of which our revenue from operations in India contributed to 96.62% of our total revenue from operations for the FY 2022-23. We operate at the intersection of the Indian pharmaceutical formulations and consumer



healthcare sectors with the aim of providing quality products at affordable prices, and have an established track record of building and scaling brands in-house.

## 2. DIVIDEND

Pursuant to Regulation 43A of the SEBI Listing Regulations, the Company has adopted the Dividend Distribution Policy, setting out the broad principles for guiding the Board and the management in matters relating to declaration and distribution of dividend. The Dividend Distribution Policy was amended during the year under review to align with the provisions of SEBI Listing Regulations and the same is available on the website of the Company at <https://www.mankindpharma.com/investors-relations/corporate-governance>. The Board do not recommend any dividend for the FY 2022-23.

## 3. REVISION OF FINANCIAL STATEMENTS

There was no revision of the financial statements for the year under review. However, for the purpose of IPO, the Company has re-stated the financial statements of preceding three financial years pursuant to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").

## 4. MATERIAL EVENTS

### Initial Public Offering

The equity shares of the Company got listed on Stock Exchanges with effect from May 09, 2023, pursuant to the IPO of the Company by way of an Offer for Sale ("OFS") by some of the existing shareholders.

The issue comprising of OFS by selling shareholders was open for subscription from April 25, 2023 to April 27, 2023. The anchor issue opened on April 24, 2023. The selling shareholders offered 4,00,58,844 Equity Shares of face value ₹ 1 each for cash price of ₹1080 per share including a premium of ₹ 1079 per share aggregating to ₹ 4,32,635.52 Lacs. Your Company completed its IPO successfully with participation of several leading domestic and global institutional investors as well as NRIs, HNIs and retail investors. The Board is gratified and humbled by the faith shown in the Company by its Members. The Board also places on record its appreciation for the support provided by various Authorities, BRLMs, Stock Exchanges, Depositories, Counsels, Consultants, Auditors and Employees of the Company for making the maiden IPO of the Company a grand success.

The Company received listing and trading approvals from BSE and NSE on May 08, 2023. The equity shares were listed on the Stock Exchanges on May 09, 2023.

As the IPO was through an Offer for Sale of Equity Shares, the Company was not required to appoint a monitoring agency for this Offer and accordingly the statement of deviations or variations under regulation 32 of SEBI Listing Regulations is not required to be provided by the Company.

## 5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report ("MD&A") for the FY 2022-23, has been presented in a separate section forming part of this Annual Report.

## 6. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility & Sustainability Report ("BRSR"), for the FY 2022-23, has been presented in a separate section forming part of this Annual Report.

## 7. EMPLOYEES STOCK OPTION PLAN

The Company has adopted Mankind Employees Stock Option Plan 2022 ("ESOP Plan") to attract, retain and motivate key talent by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability. The Company views Options as a long-term incentive tool that would enable the employees not only to become co-owners, but also to create wealth out of such ownership in future.

The Company adopted ESOP Plan pursuant to approval of the Board and Members vide their respective resolutions dated July 19, 2022 and August 09, 2022. Pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI ESOP Regulations"), the pre-IPO ESOP Plan is required to be ratified by the Members of the Company subsequent to the IPO. The Board of Directors of the Company in their meeting held on August 2, 2023 have recommended the ratification of ESOP Plan 2022. The ESOP Plan is in compliance with the SEBI ESOP Regulations. Certificate from M/s Dayal & Maur, Company Secretaries, Secretarial Auditor of the Company certifying that the pre-IPO ESOP Plan has been implemented in accordance with SEBI ESOP Regulations and the resolution(s) proposed to be passed by the Members of the Company in the ensuing AGM will be available for inspection by the Members during the AGM.

The disclosure as mandated under the SEBI ESOP Regulations is available on website of the Company at <https://www.mankindpharma.com/investors-relations/annual-report>.

Further, the disclosure as mandated under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the ESOP Plan is as follows;

Sr. No.	Particulars	Details
a.	Options granted	10,46,512
b.	Options vested	Nil
c.	Options exercised	Nil
d.	the total number of shares arising as a result of exercise of option	Nil
e.	options lapsed	Nil
f.	the exercise price	The exercise price per Option shall be determined by the Committee which in any case shall not be less than the face value of the share of the Company as on date of grant
g.	variation of terms of options	None
h.	money realized by exercise of options	Nil
i.	total number of options in force	10,46,512

### j employee wise details of options granted during FY 2022-23

	Name	Designation	No. of Options Granted	Exercise Price
(i) key managerial personnel	Mr. Ashutosh Dhawan	Chief Financial Officer	81,396	860
(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Dr. Sanjay Koul	Chief Marketing Officer	1,74,420	860
	Dr. Anil Kumar	Chief Scientific Officer	1,74,420	860
	Mr. Atish Majumdar	Senior President - Sales and Marketing	1,16,278	860
	Dr. Vijay Soni	Chief Executive Officer – Lifestar Pharma LLC	1,16,278	860
	Mr. Pramod Gokhale	President - Group Chief Information Officer	1,04,650	860
	Dr. Birendra Singh	President - Global Quality Head	58,140	860
	Mr. Abhay Kumar Srivastava	President- Operations	58,140	860
	Mr. Pankaj Jain	Vice President – Purchase	58,140	860
	Mr. Naveen Kumar	General Manager	58,140	860
(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;		None		

## 8. CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under the SEBI Listing Regulations forms part of this Annual Report. A certificate from M/s Dayal & Maur, Company Secretaries, confirming compliance with corporate governance norms, as stipulated under the SEBI Listing Regulations, is annexed to the Corporate Governance Report.

## 9. SHARE CAPITAL

### a) Status of Shares

As the Members are aware, the equity shares of the Company were listed on the Stock Exchanges on May 09, 2023 and the Company's shares are compulsorily tradable in electronic form. As on March 31, 2023 and as on the date of this report, entire (i.e. 100%) paid up capital representing 40,05,88,440 Equity Shares are in dematerialized form.

### b) Authorized Share Capital

Pursuant to the amalgamation of our erstwhile wholly owned subsidiaries, Lifestar Pharma Private Limited ("Lifestar") and Magnet Labs Private Limited ("Magnet") with our Company, the authorized share capital of Lifestar and Magnet was consolidated with our Company. Accordingly, the Clause V of the Memorandum of Association was amended to reflect an increase in the authorized share capital from ₹ 41,00,00,000 divided into 41,00,00,000 Equity Shares of ₹ 1 each to ₹ 41,35,00,000 divided into 41,35,00,000 Equity Shares of ₹ 1 each. Details of the amalgamation of Lifestar and Magnet with the Company is further explained under the 'Subsidiaries, Associates and Joint Ventures' section of this report.

## 10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The loans given, investments made and guarantee given and securities provided under section 186 of the Act forms part of the Note No. 42 of the Standalone Financial Statements which forms part of the Annual Report.

## 11. ANNUAL RETURN

The Annual Return of the Company in form MGT-7 as required under Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and

Administration) Rules, 2014 is available on the website of the Company at <https://www.mankindpharma.com/investors-relations/annual-report>

## 12. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors have adopted Vigil Mechanism Policy. The Vigil Mechanism Policy aims for conducting the affairs of the Company in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

A mechanism has been established for stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of stakeholders who avail of the mechanism and allows direct access to Chairperson of the audit committee in exceptional cases.

Employees have numerous ways to voice their concerns and are encouraged to report the same internally for resolution. The said Policy provides for adequate safeguards against retaliation and access to the Audit Committee. The policy is uploaded on the Company's website at <https://www.mankindpharma.com/investors-relations/corporate-governance>

## 13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, your Directors state that:

- in the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards have been followed and there are no material departures from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profits of the Company for the year ended on that date;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the Annual Accounts of the Company on a going concern basis;
- they have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 14. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

### a) Acquisitions

During the FY 2022-23, the Company acquired 90% shareholding of Upakarma Ayurveda Private Limited ("Upakarma Ayurveda") through Mankind Life Sciences Private Limited, wholly owned subsidiary of the Company, pursuant to which Upakarma Ayurveda became a step down subsidiary of the Company. Upakarma is an ayurvedic Health and Wellness startup operating as marketer of ayurvedic products.

Further, during the year the Company also acquired 100% shareholding of Mankind Agritech Private Limited ("Mankind Agritech"), pursuant to which Mankind Agritech became wholly owned subsidiary of the Company. Mankind Agritech is engaged in agritech business landscape which includes agrochemicals (crop protection, crop nutrition and surfactants), seeds, biologicals, equipment, spraying technology, micro irrigation and farmer advisories.

The Company also acquired minority stake of 6.30% in Actimed Therapeutics Limited, United Kingdom ("Actimed"). As on the date of this report the Company owns 7.50% in Actimed which is a clinical stage biopharmaceutical company working on the treatment of cancer cachexia, amyotrophic lateral sclerosis (ALS) and other muscle wasting disorders.

### b) Amalgamation

Pursuant to order dated March 02, 2023, read with addendum order dated March 21, 2023, the National Company Law Tribunal, Delhi ("NCLT Delhi") approved the scheme of amalgamation dated June 22, 2021 ("Amalgamation Scheme") under Sections 230 to 232 of the Act, for the amalgamation of our erstwhile wholly owned subsidiaries, Lifestar and Magnet with the Company.

The effective date of the Amalgamation Scheme is March 30, 2023 ("Effective Date"). The Amalgamation Scheme was made effective from April 01, 2021 ("Appointed Date"), from which date the entire business undertaking of Lifestar and Magnet, inter alia, properties, assets (both immovable and movable), investment, business book and records, which are capable of being transferred by actual and/or constructive delivery

of possession, contracts, employees, clearances received from approving authorities and liabilities stood transferred to our Company.

### c) Details of Subsidiaries, Associates and Joint Ventures

Your Company had 32 subsidiaries (direct and indirect including Limited Liability Partnerships and Partnership Firms), 3 joint ventures and 5 associates as on March 31, 2023.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statement of the subsidiary and associate in Form AOC-1 is forming part of the Consolidated Financial Statements which forms part of this Annual Report. The Consolidated Financial Statements presented in this Annual Report include financial results of the subsidiary and associate companies. Further, contribution of subsidiaries, associates and joint ventures to the overall performance of your Company is outlined in Note No. 51 of the Consolidated Financial Statements.

In accordance with Section 136 of the Act and the SEBI Listing Regulations, copies of the standalone and consolidated financial statements of the Company and the financial statements of the subsidiary companies are available on the Company's website [www.mankindpharma.com](http://www.mankindpharma.com). During FY 2022-23, Lifestar was identified as a material subsidiary pursuant to the provision of SEBI ICDR Regulations. However, since Lifestar was amalgamated with the Company during FY 2022-23, the Company did not have any material subsidiaries as on March 31, 2023.

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2023, your Company's Board had ten Board Members comprising of four Executive Directors, one Non-executive Non-independent Director and five Non-executive independent Directors including one woman Director. The details of Board and Committees composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

Change in the composition of the Board of Directors and Key Managerial Personnel during the FY 2022-23 and upto the date of this report:

- Mr. Pradeep Chugh, Company Secretary of the Company was appointed as the Compliance Officer of the Company w.e.f. July 19, 2022



- b) Mrs. Prabha Arora (DIN: 00283527), Non-executive Director, resigned from the position of Director of the Company w.e.f. August 01, 2022.
- c) Mr. Vivek Kalra (DIN: 00426240) was appointed as Independent Director of the Company who shall hold the office for a term of five years commencing on August 01, 2022. Mr. Vivek Kalra is not liable to retire by rotation.
- d) Ms. Vijaya Sampath (DIN: 00641110) was appointed as Independent Director of the Company who shall hold the office for a term of five years commencing on August 01, 2022. Ms. Vijaya Sampath is not liable to retire by rotation.
- e) Mr. Tilokchand Punamchand Ostwal ("Mr. T. P. Ostwal") (DIN: 00821268) was appointed as Independent Director of the Company for second term of five consecutive years w.e.f. January 01, 2023, not liable to retire by rotation. His first term as Independent Director completed on December 31, 2022.
- f) Mr. Arjun Juneja, Chief Operating Officer of the Company was designated as the Key Managerial Personnel of the Company w.e.f. March 17, 2023.
- g) Mr. Leonard Lee Kim (DIN: 07379167), Non-executive Director, resigned from the position of Director of the Company w.e.f. May 09, 2023. Consequent to his resignation, Mr. Adheraj Singh, Alternate Director to Mr. Leonard Lee Kim also resigned w.e.f. May 09, 2023.
- h) Mr. Ramesh Juneja (DIN: 00283399), Chairman and Whole-time Director of the Company is proposed to be re-appointed as Chairman and Whole-time Director of the Company w.e.f. May 15, 2024 for a period of 5 years. His office shall be liable to retire by rotation and his re-appointment is subject to the approval of the Members in ensuing Annual General Meeting ("AGM").
- i) Mr. Rajeev Juneja (DIN: 00283481), Vice Chairman and Managing Director of the Company is proposed to be re-appointed as Vice Chairman and Managing Director of the Company w.e.f. May 15, 2024 for a period of 5 years. His office shall be liable to retire by rotation and his re-appointment is subject to the approval of the Members in ensuing AGM.
- j) Mr. Sheetal Arora (DIN: 00704292), Chief Executive Officer and Whole-time Director of the Company is proposed to be re-appointed as Chief Executive Officer and Whole-time Director of the Company w.e.f. May 15, 2024 for a period of 5 years. His office shall be liable to retire by rotation and his re-appointment is subject to the approval of the Members in ensuing AGM.

Mrs. Prabha Arora, Non-executive Director resigned from the Board on her own accord due to personal exigencies. Mr. Leonard Lee Kim was nominee of Cairnhill CIPEF Limited ("CIPEF") and Cairnhill CGPE Limited ("CGPE") on the Board of the Company pursuant to the erstwhile Shareholders Agreement. Upon listing of equity shares on the Stock Exchanges, the above referred Shareholders Agreement of the Company stands terminated. Accordingly, Mr. Leonard Lee Kim, a director representing CIPEF and CGPE on the Board of the Company resigned with effect from May 09, 2023. Consequent to his resignation, Mr. Adheraj Singh, Alternate Director to Mr. Leonard Lee Kim also resigned w.e.f. May 09, 2023. The Board places on record its appreciation for Mrs. Prabha Arora, Mr. Leonard Lee Kim and Mr. Adheraj Singh for their invaluable contribution and guidance during their tenure.

The term of office of Mr. Ramesh Juneja, Chairman and Whole-time Director, Mr. Rajeev Juneja, Vice Chairman and Managing Director and Mr. Sheetal Arora, Chief Executive Officer and Whole-time Director is completing on May 14, 2024. Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board on the recommendations of the Nomination and Remuneration Committee recommended their re-appointment for a period of 5 Years w.e.f. May 15, 2024.

In the opinion of the Board, all the directors, as well as the directors appointed / re-appointed during the year and proposed to be appointed / re-appointed possess the requisite qualifications, skills, experience and expertise and hold high standards of integrity.

#### Directors retiring by rotation

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Mr. Rajeev Juneja (DIN: 00283481) being longest in the office from the date of his last re-appointment shall retire by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended his re-appointment.

As on the date of this report, the Company has the following Key Managerial Persons as per section 2(51) and 203 of the Act:

Sr. No.	Name	Designation
1.	Mr. Ramesh Juneja	Chairman and Whole-time Director
2.	Mr. Rajeev Juneja	Vice Chairman and Managing Director

Sr. No.	Name	Designation
3.	Mr. Sheetal Arora	Chief Executive Officer and Whole-time Director
4.	Mr. Arjun Juneja	Chief Operating Officer
5.	Mr. Satish Kumar Sharma	Whole-time Director
6.	Mr. Ashutosh Dhawan	Chief Financial Officer
7.	Mr. Pradeep Chugh	Company Secretary and Compliance Officer

#### 16. COMMITTEES OF BOARD AND NUMBER OF MEETINGS OF THE BOARD AND BOARD COMMITTEES

During the year under review and pursuant to the SEBI Listing Regulations, the Board had reconstituted certain existing committees and constituted certain new Committees and amended / adopted the terms of reference of the said Committees.

As on the date of this report the Board has the following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

The QIPO Committee was constituted specifically for the purpose of IPO. Pursuant to the listing of equity shares of the Company on the Stock Exchanges, the IPO related matters had concluded and therefore the QIPO Committee was dissolved w.e.f. May 30, 2023.

The Merger Committee was constituted to consider and approve the matters related to amalgamation of Lifestar and Magnet with the Company. The matters related to amalgamation of Lifestar and Magnet with the Company had concluded pursuant to the sanctioning of the scheme of amalgamation by the National Company Law Tribunal in March 2023 and therefore, the Merger Committees was dissolved w.e.f. May 30, 2023.

All the recommendations made by the Board Committees including the Audit Committee, were accepted by the Board.

The Board of Directors met 8 (Eight) times during the year under review. The details of meetings of

Board and Committees and the attendance thereto and composition of Committees are provided in the Corporate Governance Report, which forms part of this Annual Report.

#### 17. INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on March 17, 2023 without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of the Company, taking into account the views of Executive Directors and 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.

A note on the familiarisation programme for orientation and training of the Directors undertaken in compliance with the provisions of the Act and the SEBI Listing Regulations is provided in the Corporate Governance Report, which forms part of the Annual Report.

#### 18. DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from Mr. Surendra Lunia, Mr. T. P. Ostwal, Mr. Bharat Anand, Ms. Vijaya Sampath and Mr. Vivek Kalra, Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act including compliance of relevant provisions of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 25 of SEBI Listing Regulations.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, skills, experience and expertise and they hold highest standards of integrity (including the proficiency) and fulfils the conditions specified in the Act and SEBI Listing Regulations and are independent of the management.

## 19. BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out annually through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

## 20. NOMINATION AND REMUNERATION POLICY

The Board has framed and adopted a Nomination and Remuneration Policy ("NRC Policy") in terms of the Section 178 of the Act. The NRC Policy, inter-alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of Directors, Key Managerial Personnel and Senior Management employees and other matters as provided under Section 178 of the Act. The NRC Policy was amended during the year under review to align with the provisions of SEBI Listing Regulations. The remuneration paid to the Directors is as per the terms laid out in the NRC Policy of the Company.

The salient features of the NRC Policy are as follows:

- To formulate the criteria for determining qualification, competencies, positive attributes and independence for appointment of Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and recommend to the Board policies relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees;
- To lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management;
- To recommend the remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; and
- To specify the manner for effective evaluation of performance of Board, its committees and individual directors and review its implementation and compliance.

The NRC Policy is available on the website of the Company at <https://www.mankindpharma.com/investors-relations/corporate-governance>.

## 21. INTERNAL FINANCIAL CONTROLS SYSTEM AND THEIR ADEQUACY

The Company has laid down adequate internal financial controls commensurate with the scale, size and nature of the business of the Company. The Company has in place adequate policies and procedures for ensuring the orderly and effective control of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. Effectiveness of internal financial controls is ensured through management reviews, controlled self-assessment and independent testing by the internal auditor.

## 22. RISK MANAGEMENT

The Board had constituted the Risk Management Committee. The composition of Risk Management Committee and number of meetings held are given in the Corporate Governance Report, forming part of the Annual Report. Further, pursuant to Section 134(3)(n) of the Act and Regulation 17(9) of SEBI Listing Regulations, the Company has formulated and adopted the Risk Management Policy inter-alia including the details/ process about identification of elements of risks of any, Which in the opinion of the Board may threaten the existence of the Company.

The aforesaid Risk Management Policy establishes the philosophy of the Company towards risk identification, analysis and prioritization of risks, development of risk mitigation plans and reporting on the risk environment of the Company. This Risk Management Policy is applicable to all the functions, departments and geographical locations of the Company. The purpose of this policy is to define, design and implement a risk management framework across the Company to identify, assess, manage and monitor risks. Aligned to this, purpose is also to identify potential events that may affect the Company and manage the risk within the risk appetite and provide reasonable assurance regarding the achievement of the Company's objectives.

## 23. TRANSACTIONS WITH RELATED PARTIES

In line with the requirements of the Act and SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions, which is available on the website of the Company at <https://www.mankindpharma.com/investors-relations/corporate-governance>

All contracts, arrangements and transactions entered by the Company with related parties during FY 2022-

23 were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any transaction, contract or arrangement with related parties, which could be considered material, in accordance with the Company's Policy on dealing with Related Party Transactions ("RPT Policy"). Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable.

All applicable related party transactions were presented before the Audit Committee/Board. The disclosure on related party transactions as per Ind AS-24 has been provided under Note No. 42 of the standalone financial statements and Note No. 43 of the consolidated financial statements.

## 24. AUDITORS

### a. Statutory Auditors and their report

The Members of the Company in accordance of section 139 of the Companies Act, 2013 have passed resolution in 31<sup>st</sup> AGM for appointment of M/s Bhagi Bhardwaj Gaur & Co., Chartered Accountants ("BBG") as Joint Statutory Auditors of the Company in place of M/s Goel Gaurav & Co., Chartered Accountants, who completed their term as the Joint Statutory Auditor of the Company at the conclusion of 31<sup>st</sup> AGM. M/s S.R. Batliboi & Co. LLP, Chartered Accountants ("SRBC") (BBG and SRBC are hereinafter collectively referred as "Joint Statutory Auditors") are the other Joint Statutory Auditors of the Company.

The Joint Statutory Auditors have presented their Audit Report on the financial statements of the Company for the FY 2022-23. The report of the Joint Statutory Auditors forms part of this Annual Report. Their report does not contain any qualification, reservation or adverse remark. The notes on financial statement are self-explanatory and do not call for any further comments. The Joint Statutory Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

### b. Secretarial Auditor and their report

Pursuant to the provisions of Section 134(3) (f) and Section 204 of the Act, the Board had appointed M/s. Dayal & Maur, Company Secretaries as Secretarial Auditor who have undertaken Secretarial Audit of the Company for the FY 2022-23. The report of the Secretarial Auditor is enclosed herewith vide Annexure A of this Report. The Secretarial Audit Report does not contain any qualification, reservation, observation or adverse remarks.

### c. Cost Auditor and their report

In terms of Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, the Board had appointed M/s M. K. Kulshreshta & Associates, Cost Accountants, as the Cost Auditor of the Company, to carry out the Cost Audit of FY 2022-23. The Cost Audit Report for the FY 2022-23 submitted by the Cost Auditors does not contain any qualification, reservation, observation or adverse remarks. The Company maintains the cost records as per the provisions of Section 148(1) of the Act.

The Board on the recommendation of the Audit Committee has re-appointed M/s M. K. Kulshreshta & Associates, Cost Accountants, as the Cost Auditor of the Company, to carry out the Cost Audit of FY 2023-24. The remuneration of Cost Auditors for the FY 2023-24 has been approved by the Board of Directors on the recommendation of Audit Committee and in terms of the Companies Act, 2013 and Rules thereunder requisite resolution for ratification of remuneration of the Cost Auditors by the members has been set out in the Notice of the 32<sup>nd</sup> AGM of your Company.

### d. Internal Auditor and their report

M/s. Ghosh Khana & Co. LLP, Chartered Accountants was appointed as Internal Auditors of the Company for the F.Y. 2022-23. The reports submitted by the Internal Auditors have been reviewed by the Audit Committee from time to time.

Further, the Board of Directors on the recommendation of the Audit Committee, has appointed Mr. Anil Gupta, Associate Vice President & Head – Internal Audit as the Internal Auditor of the Company w.e.f. F.Y. 2023-24.

## 25. SECRETARIAL STANDARDS

The Company is in regular compliance of the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

## 26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure B to this report.



## 27. CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, (as amended) the Board has constituted a Corporate Social Responsibility ("CSR") Committee. The composition, terms of reference of the CSR Committee and the salient features of the Corporate Social Responsibility Policy ("CSR Policy") is provided in the Corporate Governance Report, which forms part of the Annual Report. During the year under review the CSR Policy, was amended to align with the provisions of the SEBI Listing Regulations/applicable CSR Rules and the same is available on the website of the Company at <https://www.mankindpharma.com/investors-relations/corporate-governance>.

The Annual Report of the CSR activities undertaken by the Company is annexed as Annexure C to this report.

## 28. PUBLIC DEPOSITS

Your Company has not accepted any deposits falling within the meaning of Chapter V of the Companies Act, 2013 read with the Rule 8(5)(v) of Companies (Accounts) Rules 2014, during the financial year under review.

## 29. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The information required to be disclosed in the Board's Report pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure D to this report.

## 30. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to providing a safe and conducive work environment to all its employees and associates. The Company has a policy on Prevention of Sexual Harassment at Workplace in place, which is available on the Company website at <https://www.mankindpharma.com/investors-relations/corporate-governance>. The Company has constituted Internal Complaints Committee as per the sexual Harassment

of Women & workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 31. OTHER DISCLOSURES

During the financial year under review:-

- a) The Company has not transferred any amount to reserves.
- b) There was no issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) There was no issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- d) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- e) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- f) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- g) There was no change in the nature of the Business.
- h) Except as disclosed in this report, there were no material changes and commitments which occurred after the close of the year till the date of this report, which may affect the financial position of the Company.
- i) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- j) There was no instance of one-time settlement with any Bank or Financial Institution.
- k) The Company does not have any shares in unclaimed suspense demat account.

## 32. CAUTIONARY STATEMENT

Statements in this Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

## 33. ACKNOWLEDGEMENTS

Your Directors wish to place on record the appreciation to Central Government, State Governments and other regulatory bodies / authorities, banks, business partners, shareholders, medical practitioners and other stakeholders for the assistance, co-operation

and encouragement extended to the Company. Your Directors also like to place on record the deep sense of appreciation to the employees for their contribution and services.

**For and on behalf of the Board of  
Mankind Pharma Limited**

**Ramesh Juneja**  
Chairman &  
Whole-time Director  
DIN: 00283399

**Rajeev Juneja**  
Vice Chairman &  
Managing Director  
DIN: 00283481

Date : August 2, 2023  
Place : New Delhi

## Annexure A

Form No. MR-3

# SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2023

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

To,  
The Members,  
**Mankind Pharma Limited**  
208, Okhla Industrial Estate, Phase-III,  
New Delhi-110020

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

Based on our verification of Mankind Pharma Limited'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, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mankind Pharma Limited for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment.
- (iv) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

We have also verified the compliances of the Company with the other statutes, which are specifically applicable to the Company, as reported by the management thereof, except to the extent the same were in the scope of work of the Statutory Auditors and / or Internal Auditors.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 except in four cases where the meetings were convened on a shorter notice with the approval of directors, 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

### Significant Events during the year

- 1- Mr. Pradeep Chugh, Company Secretary, was appointed as the Compliance Officer of the Company in view of its proposed Qualified Initial Public Offering at the board meeting held on 19<sup>th</sup> July 2022.
- 2- Ms. Vijaya Sampath was appointed as an Independent Director for a term of five consecutive years at the Board Meeting of the Company held on 1<sup>st</sup> August 2022.
- 3- Mr. Vivek Kalra was appointed as an Independent Director for a term of five consecutive years at the Board Meeting of the Company held on 1<sup>st</sup> August 2022.
- 4- Ms. Prabha Arora, director, resigned from the directorship of the Company with effect from 1<sup>st</sup> August 2022.
- 5- The shareholders of the Company have, at their respective general meetings held on 21<sup>st</sup> May, 2022 and 9<sup>th</sup> August, 2022, restated the Articles of Association of the Company by passing special resolutions thereat, as prescribed.

- 6- Mr. T. P. Ostwal was re-appointed as an Independent Director for a term of five consecutive years at the Board Meeting of the Company held on 25<sup>th</sup> November 2022.
- 7- The Board of Directors of the Company approved keeping of books of account and other relevant book and papers and financial statements as well as the minutes of the Company at the corporate office of the company at 262, Okhla Industrial Estate, Phase - III, New Delhi - 110020.
- 8- Mr. Adheraj Singh was re-appointed as an Alternate Director to Mr. Leonard Lee Kim at the Board Meeting of the Company held on 25<sup>th</sup> November 2022 with effect from 26<sup>th</sup> November 2022.
- 9- The National Company Law Tribunal, New Delhi Bench ("NCLT") vide its order dated 2<sup>nd</sup> March, 2023 approved the scheme of amalgamation of Lifestar Pharma Private Limited and Magnet Labs Private Limited with Mankind Pharma Limited. Consequently, the authorized share capital of Mankind Pharma Limited increased by INR 35,00,000/-
- 10- Mr. Arjun Juneja, Chief Operating Officer ("COO") of the Company was appointed as a Key Managerial Personnel ("KMP") of the Company with effect from 17<sup>th</sup> March, 2023
- 11- Mr. Adheraj Singh was re-appointed as an Alternate Director to Mr. Leonard Lee Kim at the Board Meeting of the Company held on 17<sup>th</sup> March 2023 with effect from 18<sup>th</sup> March 2023.
- 12- The Company came out with its first public issue by way of an Offer for Sale for 4,00,58,844 equity shares aggregating to INR 4326.355 Crores. The equity shares of the Company were then listed on BSE Limited and National Stock Exchange of India Limited on 9<sup>th</sup> May 2023.

**For DAYAL & MAUR**  
Company Secretaries  
Firm Regn. No. P2007DE092500

**SHAILESH DAYAL**  
Partner  
FCS No. 4897  
CP No. 7142

Place: New Delhi Peer Review Cert No. 923/2020  
Date: August 2, 2023 UDIN: F004897E000726411

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.



To,  
The Members,  
**Mankind Pharma Limited**  
208, Okhla Industrial Estate, Phase-III,  
New Delhi-110020

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

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

**For DAYAL & MAUR**

Company Secretaries  
Firm Regn No. P2007DE092500

**SHAILESH DAYAL**

Partner  
FCS No. 4897  
CP No. 7142  
Peer Review Cert No. 923/2020

Place: New Delhi  
Date: August 2, 2023

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

### a. Conservation of Energy

In line with Company's Energy Conservation Policy, core values and commitment to achieve energy excellence, continuous stimulated efforts are being made to maximize the energy efficiency, optimize the consumption and wastage reduction with innovative strategic solutions to build a sustainable future for the society. System is established to continuously monitor the horizontal implementation.

#### ⌘ Steps taken by the company for utilizing alternate sources of energy:

- ❖ Further, to the existing utilization of solar power at our manufacturing units, 150 kWp roof-top solar generation plant is commissioned at newly built Central Warehouse at Unit-3, generating around 193 MWh electricity and achieving an equivalent carbon footprint reduction of 77.2 MT. This has significantly contributed towards renewable energy utilization.
- ❖ Roof-top solar power generation plant installed at Unit-2 for a capacity of 100 kWp.

#### ⌘ Steps taken or impact on conservation of energy:

Well-structured energy conservation programs are executed horizontally and strategically implemented contributing to sustainable savings of over INR 60 Million and equivalent carbon footprint reduction of 5300 MT.

#### • Unit 1 at Paonta Sahib, Himachal Pradesh

- ➔ 6 Nos. Cooling tower Metallic fan blade replaced with FRP blade to reduce energy cost. Also, temperature sensor installed in cooling tower fan motor to modulate as per thermal demand.
- ➔ Conventional, Low efficiency Pumps (6 Nos.) replaced with highly efficient Centrifugal Pumps with variable frequency drive installed to cater variable loads. Also, utility distribution piping replaced to minimize the transmission losses and efficiently catering to the variable demand.
- ➔ 2 Nos. of Low efficient Screw Chillers replaced with Common Centrifugal chiller with high COP.
- ➔ EC blowers installed instead of belt/plug fans in 3 AHUs consuming power more than 30KWs.
- ➔ Automatic Level control provided in 6 Nos. day storage HSD tanks with Alarm facility.
- ➔ Performance improvement of existing roof-top solar power generation system by over 3% from last financial year.

#### • Unit 2 at Paonta Sahib, Himachal Pradesh

- ➔ Steam Heating Coils installed in AHUs replacing conventional electrical heaters catering to equivalent electrical savings of 970 MWh.
- ➔ EC motors installed instead of belt/plug motors in 4 AHUs consuming more than 30KWs. Also, Control valves introduced to maintain variable T/RH demand in AHUs.
- ➔ Variable frequency drive provided to 10 Nos. utility circulation pumps, catering to variable loads.
- ➔ 5 Nos. Cooling tower Metallic fan blade to be replaced with FRP blade to reduce energy cost.

#### • Unit 3 at Paonta Sahib, Himachal Pradesh

- ➔ Implemented industrial Internet of things (IOT) based system over 22 utility motors for real time monitoring, controlling and predictive maintenance.
- ➔ Variable Frequency Drive installed in HVAC system. Also, EC blower installed instead of belt/plug motors in AHUs.

- ➔ Temperature sensor installed in cooling tower fan motor to modulate as per thermal demand.
- ➔ Condensate recovery system installed in block B for directly adding recovered condensate into the feed water tank of boiler.
- ➔ Variable frequency drive provided to Utility circulation pumps, catering to variable loads.
- ➔ Energy Efficient Chiller with higher COP installed for central warehouse.
- ➔ Uninterrupted power management for critical operation with UPS instead of DG catering to equivalent electrical savings of 1430 MWh.

• **Plant at South Sikkim, Sikkim**

- ➔ Fuel for steam generation altered to LDO from HSD catering to equivalent savings of INR 6.2 Million.
- ➔ ATC installed in our existing chiller to reduced descaling of condenser.
- ➔ Variable Frequency Drive installed in air compressor, ETP, chilled water & hot water, cooling tower pumps, AHU motors.
- ➔ Steam condensate recovery improvement to 65% from existing 30%.
- ➔ High efficiency chillers are introduced to cater additional loads.
- ➔ Saving on increase in steam to fuel efficiency and DG efficiency.

• **Head Office at New Delhi**

- ➔ GRC panels used in façade design at New HO building as second skin to reduce the solar gain contributing to optimization of chiller load.

⌘ **The capital investment on energy conservation equipment:**

Other than Investment for new efficient systems, overall INR 32.5 Million are exclusively invested across all sites for Energy Conservation Measures.

**b. Technology Absorption**

(i)	the efforts made towards technology absorption	<p>Advance Equipment's and cutting edge technologies to enhance product quality, better efficiencies:</p> <ol style="list-style-type: none"> <li>1. KORSCH (Germany) make compression machine installed in OSD facility of Unit-3, Paonta Sahib.</li> <li>2. CVC Bottle packing line from Taiwan installed in export oriented site at Unit-3, Paonta Sahib.</li> <li>3. ASRS (automated storage and retrieval system) at Unit-3, Paonta Sahib Warehouse.</li> <li>4. Conventional cooling towers fans are replaced with energy efficient FRP fans.</li> <li>5. Advance quality control equipment installed during the year such, Stability chambers, HPLCs, Cooling Chambers, Automated product defect detection system, Liquid chromatography, Raman spectrometers, TOC analysers are commissioned across various sites.</li> <li>6. QR code based authentication piloted at various plants for primary pack at strip level for some our big brands.</li> <li>7. IoT based predictive maintenance to monitor health of the equipment's are installed for critical equipment's at Unit-3, Paonta Sahib.</li> <li>8. Automated solvent transfer system from storage point to point of use is installed at Unit-2, Paonta Sahib.</li> <li>9. Advance steam traps and condensate recovery system installed to improve steam distribution and prevent losses across various sites.</li> <li>10. Groninger make filling line installed at Unit-3, Paonta sahib for our ophthalmic products.</li> </ol>
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(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	<ol style="list-style-type: none"> <li>1. INR 266 Million cost saving is from process efficiency improvement, yield improvement &amp; other overhead reductions from above technologies.</li> <li>2. Compliances are enhanced and our time to market has reduced due to reduction in process time.</li> <li>3. 4.4% reduction in energy consumption has been achieved during the year.</li> <li>4. Process time drastically reduced for some of the products due to shifting from wet to dry granulation.</li> <li>5. Condensate recover is increased by 8% during the year for selected sites.</li> <li>6. Productivity per person has increased by 8% for our selected sites such as unit 1 &amp; 2, Paonta Sahib and Sikkim plant from above interventions.</li> <li>7. Conversion cost reduced by 18% cumulatively from our API at Shree Jee Laboratory from various initiatives such SRP, process improvement, yield improvement.</li> </ol>
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
	(a) the details of technology imported	<ol style="list-style-type: none"> <li>1. 900kgs Glatt line for Granulations at Unit -3, Paonta Sahib.</li> <li>2. New KORSCH make compression machine installed in OSD facility (Germany) at Unit -3, Paonta Sahib.</li> <li>3. New CVC line for block B tablet packaging (Taiwan) at Unit-3, Paonta Sahib.</li> <li>4. High Performance Liquid Chromatography - 10Nos. (Japan) at Sikkim plant.</li> <li>5. Raman Spectroscope at Sikkim plant.</li> <li>6. Karl Fischer Titration Metrohm at Sikkim plant.</li> <li>7. Media Degasser -01 at Sikkim plant.</li> <li>8. 900kgs Glatt line for Granulations- 01 Set at Sikkim plant.</li> <li>9. New KORSCH make compression machine installed in OSD facility (Germany) at Sikkim plant.</li> <li>10. Air sampler installed in QC micro-01 at Sikkim plant.</li> <li>11. TOC analyzer online in B-02-02 Water system.GE-01 at Sikkim plant.</li> </ol>
	(b) the year of import;	2020, 2021, 2022
	(c) whether the technology been fully absorbed	Yes
(iv)	the expenditure incurred on Research and Development	₹ 18,817.00 Lacs

**c. Foreign Exchange Earnings & Outgo during the FY 2022-23**

Foreign Exchange Earnings : ₹ 17,951.98 Lacs

Foreign Exchange Outgo : ₹ 8,706.75 Lacs

**For and on behalf of the Board of  
Mankind Pharma Limited**

**Ramesh Juneja**  
Chairman &  
Whole-time Director  
DIN: 00283399

**Rajeev Juneja**  
Vice Chairman &  
Managing Director  
DIN: 00283481

Date : August 2, 2023  
Place : New Delhi



## ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2022-23

<b>1 Brief outline on CSR Policy of the Company:</b> The Corporate Social Responsibility Policy of the Company is committed to achieve the goals of sustainable development by integrating economic, environmental and social imperatives, which recognizes the interest for all its stakeholders and enhances the goodwill of the Company.	
<b>2. Composition of CSR Committee:</b>	
<b>Sl. No.</b>	<b>Name of Director</b>
1.	Mr. Ramesh Juneja
2.	Mr. Rajeev Juneja
3.	Mr. Surendra Lunia
4.	Mrs. Prabha Arora
<b>3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company</b>	
Designation / Nature of Directorship	
	Chairman (Whole-time Director)
	Member (Managing Director) [w.e.f. 1 <sup>st</sup> August, 2022]
	Member (Independent Director)
	Member (Non-executive Director) [Upto 1 <sup>st</sup> August, 2022]
<b>4. Provide the executive summary along with the weblink(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable</b>	
Number of meetings of CSR Committee held during the year	
2 meetings were held during the F.Y. 2022-23.	
Number of meetings of CSR Committee attended during the year	
Mr. Ramesh Juneja – 2	
Mr. Rajeev Juneja – 1	
Mr. Surendra Lunia – 2	
Mrs. Prabha Arora – 1	
Composition of CSR Committee: <a href="https://www.mankindpharma.com/investors-relations/">https://www.mankindpharma.com/investors-relations/</a>	
investors-relations/mankind-glance	
CSR Policy: <a href="https://www.mankindpharma.com/investors-relations/corporate-governance">https://www.mankindpharma.com/investors-relations/corporate-governance</a>	
CSR Projects: <a href="https://www.mankindpharma.com/company/csr">https://www.mankindpharma.com/company/csr</a>	
The impact assessment of contribution made to IC Juneja Foundation during FY 2021-22 was undertaken through an independent agency. Their report is available on the website of the Company at <a href="http://www.mankindpharma.com">www.mankindpharma.com</a>	
<b>5(a) Average net profit of the company as per sub-section (5) of Section 135</b>	₹ 1,63,923.00 Lacs*
<b>5(b) Two percent of average net profit of the company as per sub-section (5) of Section 135</b>	₹ 3,278.46 Lacs**
<b>5(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years</b>	NIL
<b>5(d) Amount required to be set off for the financial year, if any</b>	₹ 1,337.03 Lacs
<b>5(e) Total CSR obligation for the financial year (5b+5c- 5d)</b>	₹ 1,941.43 Lacs***
*The average net profit of the Company for the financial year 2022-23 is arrived at by adding up the average net profits of the Company and that of the erstwhile wholly-owned subsidiaries of the Company i.e. Lifestar Pharma Private Limited and Magnet Labs Private Limited, which was merged with the Company w.e.f. 30 <sup>th</sup> March, 2023.	
**The two percent of the average net profits of the Company for the financial year 2022-23 is arrived at by adding up the net-profits of the Company and that of the erstwhile wholly-owned subsidiaries of the Company i.e. Lifestar Pharma Private Limited and Magnet Labs Private Limited, which was merged with the Company w.e.f. 30 <sup>th</sup> March, 2023.	
***The details of the CSR Obligation of ₹ 141.24 Lacs and ₹ 51.21 Lacs pertaining to the erstwhile wholly-owned subsidiaries of the Company i.e. Lifestar Pharma Private Limited and Magnet Labs Private Limited respectively which were merged with the Company w.e.f. 30 <sup>th</sup> March, 2023 is also forming part of this CSR Report. Total merged CSR Obligation for the financial year is ₹ 1941.43 Lacs i.e. ₹ 1748.97 Lacs plus ₹ 141.24 Lacs plus ₹ 51.21 Lacs.	
<b>6(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)</b>	
₹ 2,002.35 Lacs****	

<b>6(b) Amount spent on Administrative Overheads</b>	NIL					
<b>6(c) Amount spent on Impact Assessment, if applicable</b>	NIL					
<b>6(d) Total amount spent for the Financial Year [(a) + (b) + (c)]</b>	₹ 2,002.35 Lacs****					
<b>6(e) CSR amount spent or unspent for the financial year:</b>						
<b>Total Amount Spent for the Financial Year (in ₹)</b>	<b>Amount Unspent (in ₹ Lacs)</b>					
<b>Total Amount transferred to Unspent CSR Account as per section 135(6)</b>	<b>Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)</b>					
<b>Amount (in ₹)</b>	<b>Name of the Fund</b>					
₹ 2,002.35 Lacs****	Not Applicable					
****The total amount spent for the financial year 2022-23 is arrived at by adding up the amount spent by the Company and that of the erstwhile wholly-owned subsidiaries of the Company i.e. Lifestar Pharma Private Limited and Magnet Labs Private Limited, which was merged with the Company w.e.f. 30 <sup>th</sup> March, 2023.						
<b>6(f) Excess amount for set-off, if any</b>						
<b>Sl. No.</b>	<b>Particular</b>	<b>Amount</b>				
(i)	Two percent of average net profit of the company as per sub-section 5 of Section 135	₹ 3,278.46 Lacs <sup>1</sup>				
(ii)	Total amount spent for the Financial Year	₹ 2,002.35 Lacs <sup>2</sup>				
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ (1,276.11) Lacs				
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	₹ 1,337.03 Lacs				
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 99.56 Lacs <sup>3</sup>				
<sup>1</sup> The two percent of the average net profits of the Company for the financial year 2022-23 is arrived at by adding up the net-profits of the Company and that of the erstwhile wholly-owned subsidiaries of the Company i.e. Lifestar Pharma Private Limited and Magnet Labs Private Limited, which was merged with the Company w.e.f. 30 <sup>th</sup> March, 2023.						
<sup>2</sup> The total amount spent for the financial year 2022-23 is arrived at by adding up the amount spent by the Company and that of the erstwhile wholly-owned subsidiaries of the Company i.e. Lifestar Pharma Private Limited and Magnet Labs Private Limited, which was merged with the Company w.e.f. 30 <sup>th</sup> March, 2023.						
<sup>3</sup> Excess of ₹ 99.56 Lacs is on account of standalone CSR Obligation of the Company i.e. Mankind Pharma Limited. The shortfall in CSR expenditure of Lifestar (₹ 37.43 Lacs) and Magnet (₹ 1.21 lacs) would be deposited by the Company in the funds specified under Schedule VII of the Companies Act, 2023 in accordance with the provisions specified under Section 135 of the Companies Act, 2013 read with rules thereunder.						
<b>7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:</b>						
<b>Sl. No.</b>	<b>Preceding Financial Year(s)</b>	<b>Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in INR)</b>	<b>Balance Amount in Unspent CSR Account under sub-section 6 of Section 135</b>	<b>Amount spent in the Financial Year (in INR)</b>	<b>Amount transferred to a fund specified under Schedule VII as per second proviso to sub-section (6) of Section 135, if any.</b>	<b>Deficiency, if any</b>
<b>TOTAL</b>					Not Applicable	

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes ( ) No (✓)					
If Yes, enter the number of Capital assets created/acquired: NIL					
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:					
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)
					Registered Address
					Name
					CSR Registration Number, if applicable
Not Applicable					
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section 5 of Section 135					
Not Applicable					

Name of the Director: Ramesh Juneja  
Designation: Chairman, CSR Committee  
DIN: 00283399  
Date: August 2, 2023  
Place: New Delhi

Name of the Director: Sheetal Arora  
Designation: Chief Executive Officer and Whole-time Director  
DIN: 00704292  
Date: August 2, 2023  
Place: New Delhi

### (I) Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2022-23 and percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 2022-23 are as under:

Directors/KMPs	Ratio to Median Remuneration	% increase in Remuneration FY 2022-23
<b>Executive Directors</b>		
Mr. Ramesh Juneja	598.42	NIL <sup>1</sup>
Mr. Rajeev Juneja	666.67	NIL <sup>1</sup>
Mr. Sheetal Arora	356.72	NIL <sup>1</sup>
Mr. Satish Kumar Sharma	18.73	12%
<b>Independent Directors</b>		
Mr. Surendra Lunia	7.39	NIL
Mr. T. P. Ostwal	9.23	20%
Mr. Bharat Anand	5.54	NIL
Ms. Vijaya Sampath <sup>2</sup>	7.48	NA
Mr. Vivek Kalra <sup>2</sup>	6.32	NA
<b>Key Managerial Personnel other than Executive Directors</b>		
Mr. Ashutosh Dhawan	55.91	15%
Mr. Pradeep Chugh	15.24	33%

- Notes: 1. There has been no change during the year in the remuneration of Executive Directors i.e. Mr. Ramesh Juneja, Mr. Rajeev Juneja and Mr. Sheetal Arora.
2. Ms. Vijaya Sampath and Mr. Vivek Kalra were appointed as Non-executive Independent Director with effect from August 1, 2022. Therefore, the percentage increase in the remuneration in F.Y. 2022-23 is not applicable.
2. Percentage increase in the median remuneration of employees in the Financial Year 2022-2023:  
The percentage increase in the median remuneration of employees in FY 2022-23: 7.57%
3. Number of Permanent employees on the rolls of the Company as on 31<sup>st</sup> March 2023:  
There were 18,468 employees (excluding associate plants employees) on the rolls of the Company as on March 31, 2023.
4. For the FY 2022-23, the average annual increase in the remuneration of employees (excluding the remuneration of managerial personnel) was 11.58% and average increase in Key Managerial remuneration is 22.00%.
5. It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.



**(II) Statement as per provisions of sec 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**A. Names of top 10 employees in terms of remuneration drawn and the name of every employee who was employed throughout the financial year ended March 31, 2023 and was in receipt of remuneration, which in the aggregate, was not less than ₹1.02 Crores per annum:**

Sr. No.	Employee Name	Designation	Educational Qualification	Age (in years)	Experience (in years)	Date of joining	Remuneration p.a.	Previous Employer
1	Mr. Abhay Kumar Srivastava	President - Operations	MBA	54	25	06-06-2017	2,09,96,628	USV Private Limited
2	Mr. Anandkumar Kapildev Singh	Vice President-Technical	Graduate	48	16	01-09-2015	1,30,82,796	ACG Pharma Pack Private Limited
3	Dr. Anil Kumar	Chief Scientific Officer	PhD	59	31	01-12-2011	4,61,24,604	Jubilant Lifesciences Limited
4	Mr. Arjun Juneja	Chief Operating Officer	MBA	37	14	15-05-2009	5,78,64,559	Not Applicable
5	Mr. Arun Kumar Haridas Mantri	Senior Vice President	PG Diploma	54	30	20-02-2017	1,19,65,992	Torrent Pharamceutical Limited
6	Mr. Ashutosh Dhawan	Chief Financial Officer	Chartered Accountant	55	31	03-03-2016	2,42,28,816	STMicroelectronics Private Limited
7	Mr. Atish Majumdar	Senior President - Sales and Marketing	PG Diploma	49	22	09-11-2019	20,500,000	Lupin Limited
8	Dr. Birendra Singh	President - Global Quality Head	PhD	48	27	01-10-2021	3,24,98,740	Intas Pharma Limited
9	Dr. Chithambaram Muthulingam	Senior Vice President	PhD	44	23	04-02-2019	1,37,06,136	Aurobindo Pharam Limited
10	Ms. Prabha V S Narasimham	Senior Vice President	M.Pharma	52	28	26-11-2011	1,46,03,568	DR. Reddys Laboratories Limited
11	Mr. Pramod Gokhale	President - Group Chief Information Officer	Diploma in Computer Science	53	34	14-05-2010	3,00,00,005	Diageo India Private Limited
12	Mr. Prem Kumar Arora	Director FHA	Graduation	85	45	01-05-2006	5,66,66,028	Not Applicable
13	Mr. R H Muralidharan	Sr. Vice President -Head Sales & Marketing	PG Diploma	59	30	08-11-2019	1,23,20,004	USV Private Limited
14	Mr. Rahul Dev Shakya	Vice President	PhD	51	31	21-12-2011	1,24,07,040	Cheminova India Limited

Sr. No.	Employee Name	Designation	Educational Qualification	Age (in years)	Experience (in years)	Date of joining	Remuneration p.a.	Previous Employer
15	Mr. Rajeev Juneja	Vice Chairman & Managing Director	No formal education	58	30	22-12-1992	28,88,20,138	Not Applicable
16	Mr. Rajender Singh	Associate President	PhD	56	31	20-06-2016	1,93,63,392	Sun Pharmaceutical Industries Limited
17	Mr. Ramesh Juneja	Chairman & Whole-time Director	No formal education	68	32	03-07-1991	25,92,93,261	Not Applicable
18	Mr. Ramesh Muthu	Senior Vice President	MBA	51	25	03-12-2020	1,55,70,072	Lupin Limited
19	Dr. Sanjay Koul	Chief Marketing Officer	PhD	56	27	01-04-1998	3,50,01,000	Not Applicable
20	Mr. Satish Chandra Upadhyay	Associate President	M.Pharma	58	29	03-01-2019	1,54,07,688	Mylan Laboratories Limited
21	Mr. Sheetal Arora	Chief Executive Officer and Whole-time Director	B.com	49	15	21-09-2007	15,45,64,547	Not Applicable
22	Mr. Subhash Baidya	Vice President -Operations	M.Pharma	51	17	02-11-2016	1,13,73,852	Sun Pharmaceutical Industries Limited
23	Mr. Sunil S Iyer	Vice President	PhD	49	25	01-09-2016	1,28,25,204	Sun Pharmaceutical Industries Limited
24	Mr. Vishwajit Vidyadhar Bhide	Vice President	MBA	53	26	13-04-2021	1,02,08,004	Lupin Limited

**B. Name of every employee who was employed for a part of the financial year ended March 31, 2023 and was in receipt of remuneration, which in the aggregate, was not less than ₹ 8.5 Lacs per month**

Sr. No.	Employee Name	Designation	Educational Qualification	Age (in years)	Experience (in years)	Date of joining	Remuneration p.a.	Previous Employer
1	Mr. Ankush Chandgothia	Senior Vice President	Chartered Accountant	45	23	07-04-2022	2,00,00,004	Survam Investments Private Limited
2	Mr. Ravi Kumar Agrawal	Senior Vice President & Head Investor Relations	MBA	51	25	01-08-2022	1,64,40,000	Glenmark Pharmaceuticals Limited

**Notes:**

- The above table(s) contains details of employees in alphabetical order.
- The details given herein above are on accrual basis.
- As on March 31, 2023, except Mr. Ramesh Juneja, Chairman and Whole-time Director, Mr. Rajeev Juneja, Vice Chairman and Managing Director, Mr. Sheetal Arora, Chief Executive Officer and Whole-time Director and Mr. Arjun Juneja, Chief Operating Officer, none of the employees hold 2% or more of the paid up equity share capital of the

Company as per clause (iii) of sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

4. Mr. Arjun Juneja is in receipt of remuneration during the financial year 2022-23 in excess of the remuneration drawn by Mr. Satish Kumar Sharma, Whole-time Director and holds 1,05,55,591 (2.64%) equity shares of the Company.
5. Except Mr. Ramesh Juneja and Mr. Rajeev Juneja who are brothers, Mr. Sheetal Arora who is son of Mrs. Prabha Arora who is sister of Mr. Ramesh Juneja and Mr. Rajeev Juneja, Mr. Arjun Juneja who is son of Mr. Ramesh Juneja and Mr. Prem Kumar Arora who is husband of Mrs. Prabha Arora and father of Mr. Sheetal Arora, none of the directors/employees are related to each other.
6. Employment of all the employees are permanent. However, Mr. Ramesh Juneja, Mr. Rajeev Juneja, Mr. Sheetal Arora and Mr. Satish Kumar Sharma are appointed in the capacity of managerial personnel and their appointment have fixed term pursuant to statutory provisions.

**For and on behalf of the Board of  
Mankind Pharma Limited**

**Ramesh Juneja**  
Chairman &  
Whole-time Director  
DIN: 00283399

**Rajeev Juneja**  
Vice Chairman &  
Managing Director  
DIN: 00283481

Date : August 2, 2023  
Place : New Delhi

## CORPORATE GOVERNANCE REPORT

To comply with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the report containing details of Corporate Governance of Mankind Pharma Limited ('the Company'/'Mankind') is as follows:

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success and we remain committed towards maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers.

**The Corporate Governance framework of the Company is based on the following broad practices:**

- i. Engaging a diverse and highly professional, experienced and competent Board of Directors ("Board") with versatile expertise in industry, finance, management and law.
- ii. Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures.
- iii. Making high level of disclosures for dissemination of corporate, financial and operational information to all its stakeholders.
- iv. Having strong systems and processes to ensure full and timely compliance with all legal and regulatory requirements and zero tolerance for non-compliance.

### BOARD OF DIRECTORS

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

As on March 31, 2023 the Board comprised of 4 (four) Executive Directors, 5 (five) Non-executive Independent Directors including 1 (one) Woman Director and 1 (one) Non-executive Non-Independent Director, which is compliant with the requirements of the Companies Act, 2013 ("the Act") and SEBI Listing Regulations, and is also in line with the best practices of corporate governance. Composition of Board of Directors as at March 31, 2023 is given below:

Category of Directors	Designation	Name of the Directors	Inter-se Relationship between Directors
Promoter	Chairman and Whole-time Director	Mr. Ramesh Juneja	Brother of Mr. Rajeev Juneja, Vice Chairman and Managing Director
	Vice Chairman and Managing Director	Mr. Rajeev Juneja	
	Chief Executive Officer and Whole-time Director	Mr. Sheetal Arora	
Non-Promoter	Whole-time Director	Mr. Satish Kumar Sharma	Not related to any of the Directors
	Non-executive, Independent Director	Mr. Surendra Lunia	
		Mr. T. P. Ostwal	
		Mr. Bharat Anand	
		Ms. Vijaya Sampath	
Non-executive, Non Independent Director	Mr. Leonard Lee Kim*		

\* Mr. Leonard Lee Kim was nominee of Cairnhill CIPEF Limited ("CIPEF") and Cairnhill CGPE Limited ("CGPE") on the Board of the Company pursuant to the erstwhile Shareholders Agreement. Upon listing of equity shares on the Stock



Exchanges, the above referred Shareholders Agreement of the Company stands terminated. Accordingly, Mr. Leonard Lee Kim, a director representing CIPEF and CGPE on the Board of the Company resigned with effect from May 09, 2023. Consequently, Mr. Adheraj Singh also ceased as Alternate Director to Mr. Leonard Lee Kim.

#### Brief profile of the Board Members:

**Mr. Ramesh Juneja** is the Chairman and a Whole-time Director of the Company. He is a founder and Promoter of the Company. He has been associated with the Company since its incorporation as a Director and Promoter. He does not hold any formal educational qualification. He has experience of over 32 years in the pharmaceutical industry. He was awarded the finalist certificate for “Entrepreneur of the Year” by Ernst & Young in 2009.

**Mr. Rajeev Juneja** is the Vice-Chairman and Managing Director of the Company. He is also a Promoter of the Company and has been associated with the Company since December 22, 1992. He does not hold any formal educational qualification. He has experience of over 30 years in the pharmaceutical industry.

**Mr. Sheetal Arora** is the Chief Executive Officer and Whole-time Director of the Company. He is also a Promoter of the Company and has been associated with the Company since September 21, 2007. He holds a Bachelor’s degree in Commerce from the Srikrishnadevaraya University, Anantapur. He has experience of over 15 years in the pharmaceutical industry.

**Mr. Surendra Lunia** is an Independent Director of the Company. He has been associated with the Company since February 19, 2015. He holds a Bachelor’s degree in Commerce from St. Xavier’s College, Calcutta. He is a member of the Institute of Chartered Accountants of India (“ICAI”) and the Institute of Company Secretaries of India. He is currently the Managing Director of Infotel Business Solutions Limited and is a promoter of its holding company namely Digivision Ventures Private Limited.

**Mr. T. P. Ostwal** is an Independent Director of the Company. He has been associated with the Company since January 1, 2020. He is a member of the ICAI and a senior partner of chartered accounting firms T.P. Ostwal & Associates LLP and DTS & Associates LLP. He currently serves on the Board of Directors of Oberoi Realty Limited, Polycab India Limited, Oberoi Constructions Limited, Intas Pharmaceuticals Limited. Further, he is a member of the UN Sub-Committee on Transfer Pricing for Developing Countries.

**Mr. Bharat Anand** is an Independent Director of the Company. He has been associated with the Company since August 31, 2018. He holds a Bachelor’s degree in Arts (Economics) from the University of Delhi, Delhi and a Bachelor’s degree in Law (Honours) from Jesus College, Cambridge University. He has been previously associated with Freshfields Bruckhaus Deringer, London, and has been a partner with Khaitan & Co, Delhi since 2009. He was recognized as a band 2 lawyer for Corporate/M&A by Chambers Asia-Pacific for 2022. He was also recognized in A list of India’s Top 100 Lawyers by India Business Law Journal in 2021.

**Ms. Vijaya Sampath** is an Independent Director of the Company. She has been associated with the Company since August 1, 2022. She holds a Bachelor’s degree in English literature from the University of Madras, Chennai and a Bachelor’s degree in Law from the University of Mysore, Mysore, Karnataka. She is a fellow member of the Institute of Company Secretaries of India. She has attended the advanced management program, the international senior managers program of Harvard University Graduate School of Business Administration, USA and a program on managing strategic alliances conducted by the Wharton School, University of Pennsylvania, USA. She has experience in corporate laws and advisory and was the chairperson of the Committee on Corporate Laws of the Federation of Indian Chambers of Commerce and Industry. She was associated with Lakshmikumaran & Sridharan Attorneys as a senior partner and with Bharti Airtel Limited as Group General Counsel and Company Secretary in the past.

**Mr. Vivek Kalra** is an Independent Director of the Company. He has been associated with the Company since August 1, 2022. He holds a Bachelor’s degree in Technology (Electrical Engineering) from the Indian Institute of Technology, Bombay and a Master’s degree in Business Administration from the Leland Stanford Junior University. He is a partner of Singular Capital India Advisors LLP and a director of Singular Capital VCC, Singapore. He has been previously associated with Capital Group Investment Management Pte. Ltd as a partner of the Capital Group Private Markets, Singapore and with McKinsey & Co. in India and New York.

**Mr. Satish Kumar Sharma** is a Whole-time Director of the Company. He has been associated with the Company since September 23, 2016. He holds a bachelor’s degree in pharmacy from Gulbarga University, Karnataka. He was previously associated with T.C. Health Care Private Limited as senior officer – validation, Nicholas Piramal India Limited as Assistant Manager – production and Wockhardt Limited as a supervisor.

#### Board Skills Matrix

The Members of the Board are committed towards ensuring that the Board is in compliance with the highest standards of Corporate Governance. The Board of your Company consists of eminent individuals from diverse backgrounds with skills, experience and expertise in various areas. The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the Nomination and Remuneration Committee (“NRC”) while recommending the appointment of Directors to the Board.

Area	Particulars
Pharmaceutical Industry Knowledge	Experience in the pharmaceuticals sector, manufacturing processes, research and development, regulatory affairs, intellectual property
Sales, Marketing and Commercial	Experience in strategizing market share growth, building brand awareness and commitment towards good quality products
Leadership skill	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values
Operations	Operational expertise and technical know-how in the area of manufacturing, quality and supply chain
Financial Expertise	Proficiency in financial management, financial reporting process, taxation, budgeting, treasury operations, audit and capital allocation
Mergers and Acquisitions (“M&A”)	Experience in evaluating M&A deals for inorganic growth and ability to align it with the Company’s growth strategy and future business opportunities.
Corporate Governance	Protection of stakeholders’ interest, observing best governance practices, commitment to the highest standards of compliance, corporate ethics and values and identifying key governance risks
Risk Management	Ability to identify and evaluate the significant risk affecting the business operations of the Company and to monitor the effectiveness of risk management framework and practices
Legal Expertise	Expertise in corporate laws, legal advisory, litigations, dispute resolution, negotiations, commercial disputes

The area of expertise of the Board members as on the date of this report, have been mapped below:

Name of Director	Area of expertise
Mr. Ramesh Juneja	Pharmaceutical Industry Knowledge; Leadership skill; Risk Management; Corporate Governance; Sales, Marketing and Commercial
Mr. Rajeev Juneja	Pharmaceutical Industry Knowledge; Leadership skill; Risk Management; Corporate Governance; Sales, Marketing and Commercial
Mr. Sheetal Arora	Pharmaceutical Industry Knowledge; Leadership skill; Sales, Marketing and Commercial; Operations; Financial Expertise; Risk Management
Mr. Surendra Lunia	Leadership skill; Financial Expertise; Risk Management; Corporate Governance; Sales, Marketing and Commercial
Mr. T. P. Ostwal	Leadership skill; Financial Expertise; Risk Management; Corporate Governance; M&A
Mr. Bharat Anand	M&A; Legal Expertise; Financial Expertise; Risk Management; Corporate Governance
Ms. Vijaya Sampath	M&A; Legal Expertise; Financial Expertise; Risk Management; Corporate Governance
Mr. Vivek Kalra	Leadership skill; Financial Expertise; Risk Management; Corporate Governance
Mr. Satish Kumar Sharma	Operations; Risk Management; Pharmaceutical Industry Knowledge; Leadership skill
Mr. Leonard Lee Kim*	Leadership skill; Financial Expertise; Pharmaceutical Industry Knowledge

\* Mr. Leonard Lee Kim resigned with effect from May 09, 2023

### Number of Board Meetings held during the year ended March 31, 2023

The Board of Directors met 8 (eight) times during the Financial Year 2022-23. The dates on which the meetings were held during the year ended March 31, 2023 are as follows:

May 17, 2022, July 19, 2022, August 01, 2022, September 14, 2022, November 10, 2022, November 25, 2022, March 17, 2023 and March 31, 2023.

Number of Board meetings the Directors were entitled to attend, attendance of each Director at the Board meetings and at the last Annual General Meeting ("AGM") and number of other Directorships and Chairmanships/Memberships of Committee of each Director for the year under review, is given below:

Name of the Director	Attendance particulars for the year ended March 31, 2023			No. of other Directorships and Committee Memberships / Chairmanships as of March 31, 2023			Shareholding in the Company as on March 31, 2023
	No. of Board Meetings entitled to attend	No. of Board Meetings attended	Last AGM held on 09 <sup>th</sup> August, 2022	Other Directorship <sup>1</sup>	Committee Membership <sup>2</sup>	Committee Chairmanship <sup>2</sup>	
Mr. Ramesh Juneja	8	1	Yes	4	Nil	Nil	1,05,61,433
Mr. Rajeev Juneja	8	7	Yes	4	Nil	Nil	1,00,05,170
Mr. Sheetal Arora	8	6	Yes	6	Nil	Nil	2,38,98,836
Mr. Satish Kumar Sharma	8	1	No	Nil	Nil	Nil	Nil
Mr. Surendra Lunia	8	8	Yes	3	Nil	Nil	Nil
Mr. T. P. Ostwal	8	8	No	4	4	3	Nil
Mr. Bharat Anand	8	3	Yes	3	2	Nil	Nil
Mr. Vivek Kalra	5	5	No	Nil	Nil	Nil	Nil
Ms. Vijaya Sampath	5	5	No	7	7	Nil	Nil
Mr. Leonard Lee Kim*	8	8	No	Nil	Nil	Nil	Nil

\* Mr. Leonard Lee Kim resigned w.e.f May 09, 2023.

<sup>1</sup> Includes directorships in Listed as well as unlisted public limited companies only and exclude private companies and foreign companies.

<sup>2</sup> Includes Memberships/Chairmanship of Audit Committee and Stakeholders Relationship Committee in Listed and Unlisted Public Limited Companies.

Pursuant to Part C of Schedule V of the SEBI Listing Regulations, details of Directorship in other listed entity(ies) and category of Directorship as on March 31, 2023, are mentioned below:

Sl. No.	Name of Director	Company	Category of Directorship
1.	Mr. T. P. Ostwal	Oberoi Realty Limited	Non-executive & Independent Director
		Polycab India Limited	Non-executive & Independent Director
2.	Ms. Vijaya Sampath	Ingersoll-Rand (India) Limited	Non-executive & Independent Director
		Safari Industries (India) Limited	Non-executive & Independent Director
		Craftsman Automation Limited	Non-executive & Independent Director
		VA Tech Wabag Limited	Non-executive & Independent Director
		Intellect Design Arena Limited	Non-executive & Independent Director
		Varroc Engineering Limited	Non-executive & Independent Director
3.	Mr. Bharat Anand	Syrma SGS Technology Limited	Non-executive & Independent Director
		Sandhar Technologies Limited	Non-executive & Independent Director

### Familiarisation programme for Independent Directors

Mankind has a robust induction process to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company and other relevant information, through various programmes and at regular intervals. The directors are made aware of their roles and duties at the time of their appointment/re-appointment through a formal letter of appointment which also stipulates other terms and conditions of their appointment.

Details of the familiarisation programme for the independent directors are uploaded on the Company's website at <https://www.mankindpharma.com/investors-relations/disclosure-under-regulation-46-of-sebi-lodr>.

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management. None of the Independent Directors resigned during the FY 2022-23.

### BOARD COMMITTEES

The Board Committees play a vital role in strengthening the Corporate Governance practices of the Company. The Board Committees are set up under formal approval of the Board to carry out clearly defined roles which are aligned with the provisions of the Act and SEBI Listing Regulations.

The Board has constituted various Committees to focus on specific areas and make informed decisions within the authority delegated to each such Committee. Each Committee of the Board is guided by its terms of reference, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for its information or approval. During the FY 2022-23, the Board has accepted all the recommendations of its Committees.

As required under Schedule V of the SEBI Listing Regulations, mandatory disclosure(s) related to the Committees of the Company are as follows:

#### (i) Audit Committee

As on March 31, 2023, Audit Committee comprised 4 (four) Directors out of whom 3 (three) were Non-executive Independent Directors and 1 (one) was Non-executive Non Independent Director. Mr. Surendra Lunia, Non-executive Independent Director and Chairman of the Committee is a Chartered Accountant and Company Secretary and possesses expert financial knowledge. All the members of the Committee are financially literate and have necessary accounting and financial management expertise/background.

The Company Secretary of the Company is the Secretary to the Committee and the Chief Financial Officer is a permanent invitee to the Committee. The composition of the Audit Committee meets the requirements of Section 177 of the Act and the SEBI Listing Regulations.

During FY 2022-23, the Audit Committee met 8 (eight) times i.e. on May 17, 2022, May 27, 2022, July 19, 2022, August 01, 2022, September 14, 2022, November 25, 2022, March 17, 2023 and March 31, 2023.

Composition of the Committee and attendance of the Members at the meetings held during the Financial Year 2022-23:

Sl. No.	Name	Category	Designation	No. of Meetings Attended
1	Mr. Surendra Lunia	Non-executive Independent Director	Chairman	8
2	Mr. T. P. Ostwal	Non-executive Independent Director	Member	8
3	Mr. Bharat Anand	Non-executive Independent Director	Member	6
4	Mr. Leonard Lee Kim*	Non-executive, Non Independent Director	Member	8

\* Mr. Leonard Lee Kim ceased to be Member of the Committee w.e.f. May 09, 2023

Note: Mr. Vivek Kalra, Non-executive Independent Director and Mr. Sheetal Arora, Chief Executive Officer and Whole-time Director appointed as Member of the Committee w.e.f August 2, 2023.

Mr. Surendra Lunia, Chairman of the Audit Committee attended the last AGM held on August 9, 2022.

The terms of reference of Audit Committee are as follows:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;



- (2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular 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 Companies Act, 2013;
  - 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; and
  - g. modified opinion(s) in the draft audit report.
- (5) reviewing, with the management, the quarterly, half-yearly and annual 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- (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, and 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) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) reviewing the functioning of the whistle blower mechanism;
- (19) monitoring the end use of funds through public offers and related matters;

- (20) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (22) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 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) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
- (24) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Act, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

**Further, the Audit Committee shall mandatorily review the following information:**

- Management discussion and analysis of financial condition and results of operations;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor; and
- Statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are listed in terms of the SEBI Listing Regulations;
  - b. annual statement of funds utilised for purposes other than those stated in the Offer document/prospectus/notice in terms of the SEBI Listing Regulations.

**(ii) Nomination and Remuneration Committee**

As on March 31, 2023, Nomination and Remuneration Committee comprised 4 (four) Directors out of whom 3 (three) were Non-executive Independent Directors and 1 (one) was Non-executive Non Independent Director.

The Company Secretary of the Company is the Secretary to the Committee and the Chief Financial Officer of the Company is a permanent invitee to the Committee. The composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Act and the SEBI Listing Regulations.

During FY 2022-23, the Committee met 7 (seven) times i.e. on May 17, 2022, July 19, 2022, August 01, 2022, September 14, 2022, November 25, 2022, March 17, 2023 and March 31, 2023.

**Composition of the Committee and attendance of the Members at the meetings held during the Financial Year 2022-23:**

Sl. No.	Name	Category	Designation	No. of Meetings Attended
1	Mrs. Prabha Arora*	Non-executive Non Independent Director	Chairperson	Nil
2	Mr. Surendra Lunia*	Non-executive Independent Director	Chairman	7
3	Mr. T. P. Ostwal	Non-executive Independent Director	Member	7
4	Mr. Bharat Anand	Non-executive Independent Director	Member	5
5	Mr. Leonard Lee Kim <sup>#</sup>	Non-executive, Non Independent Director	Member	7

\* Mrs. Prabha Arora resigned as Director w.e.f. August 01, 2022 and consequently ceased to be the Chairperson of the Nomination and Remuneration Committee. Mr. Surendra Lunia was appointed as Chairman of the Committee w.e.f. August 01, 2022

<sup>#</sup>Mr. Leonard Lee Kim ceased to be Member of the Committee w.e.f. May 09, 2023

Note: Ms. Vijaya Sampath, Non-executive Independent Director appointed as member of the committee w.e.f August 2, 2023.

Mr. Surendra Lunia, Chairman of the Nomination and Remuneration Committee attended the last AGM held on August 9, 2022.

The brief terms of reference of Nomination and Remuneration Committee are as follows:

1. 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 ("Nomination and Remuneration Policy");
2. For appointment of an independent directors, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of 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, the Nomination and Remuneration Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of independent directors and the Board;
4. Devising a policy on Board diversity;
5. 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 and carrying out evaluation of every director's performance (including independent director);
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommend to the board, all remuneration, in whatever form, payable to senior management;
8. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that -
  - (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
9. perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
  - (a) administering the employee stock option plans of the Company, as may be required;
  - (b) determining the eligibility of employees to participate under the employee stock option plans of the Company;
  - (c) granting options to eligible employees and determining the date of grant;
  - (d) determining the number of options to be granted to an employee;
  - (e) making allotment pursuant to the employee stock option plans;
  - (f) determining the exercise price under the employee stock option plans of the Company; and

- (g) construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

10. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.

11. carrying out any other activities as may be delegated by the Board and other functions required to be carried out by the Nomination and Remuneration Committee as provided under the Act, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

11. carrying out any other activities as may be delegated by the Board and other functions required to be carried out by the Nomination and Remuneration Committee as provided under the Act, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

#### Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Policy of the Company lays down the criteria of appointment and remuneration of Directors/Key Managerial Personnel including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and the SEBI Listing Regulations.

The Board of Directors has carried out an annual evaluation of its own performance, its committees, individual Directors (including Independent Directors) and Board as whole. In evaluating the performance of individual Directors, criteria such as knowledge, participation and attendance at meetings, maintenance of high standard of ethics, integrity and confidentiality and decision-making ability were taken into consideration.

#### (iii) Stakeholders' Relationship Committee

As on March 31, 2023, Stakeholders Relationship Committee comprised 3 (three) Directors out of whom 2 (two) were Non-executive Independent Directors and 1 (one) was Executive Director.

The Company Secretary of the Company is the Secretary to the Committee and the Chief Financial Officer of the Company is a permanent invitee to the Committee. The composition of the Stakeholders Relationship Committee meets the requirements of the SEBI Listing Regulations.

During FY 2022-23, the Committee met once i.e. on March 17, 2023.

#### Composition of the Committee and attendance of the Members at the meetings held during the Financial Year 2022-23:

Sl. No.	Name	Category	Designation	No. of Meetings Attended
1	Mr. T. P. Ostwal	Non-executive Independent Director	Chairman	1
2	Mr. Surendra Lunia	Non-executive Independent Director	Member	1
3	Mr. Sheetal Arora	Chief Executive Officer and Whole-time Director	Member	1

Note: Mr. Vivek Kalra, Non-executive Independent Director appointed as Member of the Committee w.e.f August 2, 2023.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company.

#### The brief terms of reference of Stakeholders Relationship Committee are as follows:

1. considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. resolving the grievances of the security holders of the Company 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.;



3. formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
4. giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
5. issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
6. review of measures taken for effective exercise of voting rights by shareholders;
7. review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;
8. to dematerialize or rematerialize the issued shares;
9. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
10. carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

#### Redressal of Shareholders Grievances

The details of the Investor Complaints received and resolved during the Financial Year ended March 31, 2023 are as follows:

Shareholders Complaints received during FY 2022-23	Resolution Status		Pending Complaints
	Complaints resolved	Complaints not resolved to the satisfaction of shareholders	
		Nil	

To enable investors to share their grievance or concern, Company has set up a dedicated e-mail ID [investors@mankindpharma.com](mailto:investors@mankindpharma.com)

#### (iv) Risk Management Committee

As on March 31, 2023, Risk Management Committee comprised of 3 (three) members including 2 (two) Directors and the Chief Financial Officer.

The Company Secretary of the Company is the Secretary to the Committee. The composition of the Risk Management Committee meets the requirements of the SEBI Listing Regulations.

During FY 2022-23, the Committee met once on March 17, 2023.

#### Composition of the Committee and attendance of the Members at the meetings held during the Financial Year 2022-23:

Sl. No.	Name	Category	Designation	No. of Meetings Attended
1	Mr. Sheetal Arora	Chief Executive Officer and Whole-time Director	Chairman	1
2	Mr. Surendra Lunia*	Non-executive Independent Director	Member	1
3	Mr. Ashutosh Dhawan	Chief Financial Officer	Member	1

\*Mr. Surendra Lunia ceased to be a Member of the committee w.e.f August 2, 2023

Note: Mr. Bharat Anand, Non-executive Independent Director and Ms. Vijaya Sampath appointed as Members of the Committee w.e.f August 2, 2023

#### The brief terms of reference of Risk Management Committee are as follows:

1. Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;
2. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;
5. Keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Review the appointment, removal and terms of remuneration of the chief risk officer (if any);
7. To implement and monitor policies and/or processes for ensuring cyber security;
8. To review, discuss, monitor and take decisions on sustainability related matters; and
9. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

#### (v) Corporate Social Responsibility ("CSR") Committee

As on March 31, 2023, the CSR Committee comprised of 3 (three) members including 2 (two) Executive Directors and 1 (one) Non-executive Independent Director.

The Company Secretary of the Company is the Secretary to the Committee and Chief Financial Officer of the Company is a permanent invitee to the Committee. The composition of the CSR Committee meets the requirements of the Act.

During FY 2022-23, the Committee met two times i.e. on April 01, 2022 and March 17, 2023.

#### Composition of the Committee and attendance of the Members at the meetings held during the Financial Year 2022-23:

Sl. No.	Name	Category	Designation	No. of Meetings Attended
1	Mr. Ramesh Juneja	Chairman and Whole-time Director	Chairman	2
2	Mr. Rajeev Juneja#	Vice Chairman and Managing Director	Member	1
3	Mr. Surendra Lunia	Non-executive Independent Director	Member	2
4	Mrs. Prabha Arora*	Non-executive Non Independent Director	Member	1

\* Mrs. Prabha Arora resigned as Director w.e.f. August 01, 2022 and consequently ceased to be the Member of the CSR Committee.

#Mr. Rajeev Juneja was appointed as Member of the CSR Committee w.e.f. August 01, 2022.

The brief terms of reference of the CSR Committee are as follows:

- (a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act;
- (b) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (c) monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- (d) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

## REMUNERATION TO DIRECTORS

All pecuniary relationship or transactions of the Non-executive Directors vis-à-vis the Company:

There is no pecuniary relationship or transactions made with the Non-executive, Non-Independent Director(s) of the Company. However the Company paid Sitting Fee and Commission to the Independent Directors as given in the below mentioned table.

Criteria of making payments to Non-Executive Directors:

The criteria for making payments to Non-executive Directors is provided in the Nomination and Remuneration Policy which is available on the website of the Company at <https://www.mankindpharma.com/investors-relations/corporate-governance>

The details of remuneration paid to Directors during FY 2022-23 are given below:

Amount (₹ in Lacs)

Name & Designation	Sitting Fees	Salary	Perquisites	Commission	Total
Mr. Ramesh Juneja (Chairman & Whole-time Director)	Nil	1,007.22	617.13	968.59	2,592.94
Mr. Rajeev Juneja (Vice Chairman & Managing Director)	Nil	1,337.40	634.56	916.24	2,888.20
Mr. Sheetal Arora (Chief Executive Officer and Whole-time Director)	Nil	503.29	309.37	732.99	1545.65
Mr. Satish Kumar Sharma (Whole-time Director)	Nil	81.20	Nil	Nil	81.20
Mr. Surendra Lunia (Non-executive Independent Director)	14.00	Nil	Nil	18.00	32.00
Mr. T. P. Ostwal (Non-executive Independent Director)	10.00	Nil	Nil	30.00	40.00
Mr. Bharat Anand (Non-executive Independent Director)	6.00	Nil	Nil	18.00	24.00
Ms. Vijaya Sampath (Non-executive Independent Director)	2.40	Nil	Nil	30.00	32.40
Mr. Vivek kalra (Non-executive Independent Director)	2.40	Nil	Nil	25.00	27.40
Mr. Leonard Lee Kim* (Non-executive Non-independent Director)	Nil	Nil	Nil	Nil	Nil

\* Mr. Leonard Lee Kim resigned w.e.f. May 9, 2023

### Notes:

- None of the Directors have been granted any stock options during FY 2022-23.
- The details of specific service contracts, notice period etc. are governed by the board/shareholders resolutions and the appointment letters issued to respective Director at the time of his / her appointment/re-appointment. There is no provision of payment of severance fees to any Director.
- During the Financial Year 2022-23, no loans and advances in the nature of loans to firms/companies in which directors are interested was given by the Company and its subsidiaries.

## PARTICULARS OF SENIOR MANAGEMENT PERSONNEL

Your Company is having following officers in Senior Management position (as defined under Regulation 16 of the SEBI Listing Regulations)

Sr. No.	Name	Designation	Date of Joining	Date of Resignation
1	Mr. Arjun Juneja	Chief Operating Officer	May 15, 2009	Not Applicable
2	Mr. Abhay Kumar Srivastava	President - Operations	June 6, 2017	Not Applicable
3	Mr. Anil Gupta	Associate Vice President	July 18, 2022	Not Applicable
4	Dr. Anil Kumar	Chief Scientific Officer	December 1, 2011	Not Applicable
5	Mr. Ashutosh Dhawan	Chief Financial Officer	March 3, 2016	Not Applicable
6	Mr. Atish Majumdar	Senior President - Sales and Marketing	November 9, 2019	Not Applicable
7	Dr. Birendra Singh	President - Global Quality Head	October 1, 2021	Not Applicable
8	Mr. Chanakya Juneja	Director - Technology	November 15, 2019	Not Applicable
9	Mr. Prem Kumar Arora	Director - FHA	May 01, 2006	Not Applicable
10	Mr. Pankaj Jain	Vice President - Purchase	January 6, 2007	Not Applicable
11	Mr. Pradeep Chugh	Company Secretary and Compliance Officer	September 05, 2016	Not Applicable
12	Mr. Pramod Gokhale	President - Group Chief Information Officer	May 14, 2010	Not Applicable
13	Dr. Sanjay Koul	Chief Marketing Officer	April 1, 1998	Not Applicable
14	Mr. Suresh Raju Penmetsa	Chief Risk Officer and Vice President - EHS	May 8, 2017	Not Applicable
15	Mr. Farhat Umar	President - Global Human Resources	May 13, 2019	May 10, 2023

## UNCLAIMED DIVIDEND AND TRANSFER OF DIVIDEND AND SHARES TO IEPF INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

Pursuant to the provisions of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('Rules'), there was no unpaid / unclaimed dividends and shares to be transferred during the year of review to the IEPF.



## GENERAL BODY MEETINGS

### Annual General Meetings

The details of the Annual General Meetings held during last three years and the special resolution(s) passed there at, are as follows:

Financial Year	Location	Date	Time	Special Resolution Passed
2021-22	208, Okhla Industrial Estate, Phase - III, New Delhi - 110020	August 09, 2022	11:00 A.M. (IST)	<ol style="list-style-type: none"> <li>Approval for adoption of Restated Article of Association of the Company</li> <li>Approval of The 'Mankind Employee Stock Option Plan 2022' ("ESOP 2022"/ "Plan")</li> <li>Approval of grant of employee stock options to the employees of subsidiary company(ies) of the company under 'mankind employee stock option plan 2022'</li> <li>Approval of Grant of Employee Stock Options to the Employees of Group company(ies)/ Associate Of the Company under 'Mankind Employee Stock Option Plan 2022'</li> </ol>
	208, Okhla Industrial Estate, Phase - III, New Delhi - 110020	September 30, 2022*	04:30 P.M. (IST)	None
2020-21	208, Okhla Industrial Estate, Phase - III, New Delhi - 110020	September 27, 2021	11:00 A.M. (IST)	Re-appointment of Mr. Bharat Anand (DIN: 02806475) as an Independent Director of the company
2019-20	208, Okhla Industrial Estate, Phase - III, New Delhi - 110020	September 29, 2020	11:30 A.M. (IST)	None

\*At the 31<sup>st</sup> Annual General Meeting of the Company held on August 09, 2022 ('Original AGM') the members present passed certain business items and thereafter unanimously adjourned the 31<sup>st</sup> Annual General Meeting to September 30, 2022 at 04:30 PM at registered office of the Company for consideration of other remaining business items of the notice.

### Extra-ordinary General Meeting

Apart from the Annual General Meeting, two Extra-ordinary General Meetings were held during the Financial Year 2022-23 on May 21, 2022 (Special Resolution was passed for adoption of restated Articles of Association) and December 23, 2022 (Special Resolution was passed for re-appointment of Mr. T. P. Ostwal as Independent Director) respectively.

### Resolution passed through Postal Ballot

No Resolution was passed through Postal Ballot during Financial Year 2022-23. Further, no Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

### Means of communication

The shares of your Company were listed on May 09, 2023 on Stock Exchanges consequent upon which all steps are being taken for communications with the shareholders / investors. The financial results for the quarter and year ended March 31, 2023 were disseminated through the website of Stock Exchanges and were also uploaded on the website of your Company at <https://www.mankindpharma.com/investors-relations/financials>. The financial results for the quarter and year ended March 31, 2023 were also published in the Business Standard (English daily), Financial Express (English daily) and Jansatta (Hindi daily) newspapers.

Information like Quarterly / Half Yearly / Annual Financial Results and press releases / presentations on significant developments in the Company that have been made available from time to time have been submitted with the Stock Exchanges to enable them to put on their websites and communicate to their Members. The same is also made available to Institutional Investors or to the Analysts (if any) and are also hosted on the Company's website at <https://www.mankindpharma.com/investors-relations/financials>.

## GENERAL SHAREHOLDER INFORMATION

### (a) Annual General Meeting

Date: September 22, 2023 (Friday)

Time: 3:30 P.M. (IST)

Venue/Mode: Through Video Conferencing / Other Audio Visual Means facility

### (b) Financial Year

April 01, 2022 to March 31, 2023

### (c) Dividend payment date

The Board of Directors of your Company have not declared any dividend for the financial year 2022-23.

### (d) Listing of Shares on Stock Exchanges and Stock Code

Sl. No.	Name and Address of the Stock Exchange	Stock code
1	National Stock Exchange of India Limited Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	MANKIND
2	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	543904

The Equity Shares of your Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") w.e.f. May 09, 2023. The annual listing fees for the FY 2023-24 have been paid to the respective Stock Exchanges.

### (e) Market Price Data

Since the Equity shares of the Company were listed on BSE and NSE w.e.f. May 09, 2023, the monthly high & low prices and volumes of the Equity shares of the Company at BSE and NSE during the financial year 2022-23 could not be provided.

### (f) Performance of the share price of the company in comparison to broad-based indices like BSE Sensex, CRISIL Index etc.

Not Applicable, as the Equity shares of the Company were listed on BSE & NSE w.e.f. May 09, 2023.

### (g) In case the securities are suspended from trading, the directors report shall explain the reason thereof

Not Applicable, as the Equity shares of the Company were listed on BSE & NSE w.e.f. May 09, 2023.

### (h) Registrar and Share Transfer Agent

KFin Technologies Limited is the Registrar & Share Transfer Agent of the Company. Investors should address their correspondence to the Registrar & Share Transfer Agent of the Company at the address mentioned herein below:

#### KFin Technologies Limited (formerly KFin Technologies Private Limited)

Unit: Mankind Pharma Limited  
Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad, Telangana – 500 032  
Tel No. : +91-40-6716 2222;  
Email : einward.ris@kfintech.com  
Website : <https://www.kfintech.com>

#### (i) Share Transfer System

The Shares of your Company are traded on the Stock Exchanges compulsorily in dematerialized mode. The entire paid-up share capital of your Company is held in dematerialized form as on March 31, 2023 and as on the date of this report. The dematerialized shares are transferred directly to the beneficiaries by the depositories. Transfer of shares in physical form is not permitted as per applicable SEBI circulars.

#### (j) Distribution of shareholding

Shareholding by category as on March 31, 2023\*:

Category	Count	No. of Shares	% of Shareholding
<b>Promoter &amp; Promoter Group</b>			
Individuals	10	9,14,26,050	22.82
Trusts	3	22,50,38,807	56.18
<b>Public</b>			
Foreign Body Corporates	3	8,39,23,583	20.95
Trusts	1	2,00,000	0.05
<b>TOTAL</b>	<b>17</b>	<b>40,05,88,440</b>	<b>100.00</b>

\*Pre-IPO Shareholding Pattern, as the Company obtained the listing approval from BSE and NSE w.e.f. May 08, 2023.

#### (k) Dematerialization of Shares and Liquidity

The Equity shares of the Company got listed w.e.f. May 09, 2023 and the trading in Equity shares of the Company is permitted only in dematerialized form. As on the date of this report the Equity shares are frequently traded on BSE and NSE and the entire (i.e.100%) Paid up Share Capital representing 40,05,88,440 Equity shares are in dematerialized form.

#### (l) Outstanding Global Depository Receipts ('GDR') or American Depository Receipts ('ADR') or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDR/ADR or Warrants or any other convertible instruments during the FY 2022-23.

#### (m) Commodity price risk or foreign exchange risk and hedging activities

Appropriate disclosure on commodity price risk or foreign exchange risk and hedging activities is given in Note No. 40 of standalone financial statement. Since the Company has not entered into any derivative contract to hedge exposure to fluctuations in commodity prices, no disclosure is required pursuant to SEBI Circular dated November 15, 2018.

#### (n) Plant locations

##### (i) Plant locations of Mankind Pharma Limited as on March 31, 2023

Sl. No.	Plant Type	Location
1	Unit I - Ampoules and Vials	Paonta Sahib, Himachal Pradesh, India
2	Unit II - Tablet, Hardgelatin Capsule, Sachet, Softgel Capsule, Syrup Bottles	Paonta Sahib, Himachal Pradesh, India
3	Unit III - Vials, Tablet, Hardgelatin Capsule, Blow Fill Seal, Eye/Ear Drop each piece	Paonta Sahib, Himachal Pradesh, India
4	Tablet, Hardgelatin Capsule	South Sikkim, Sikkim, India

##### (ii) Plant locations of subsidiary companies of your Company as on March 31, 2023

Sl. No.	Plant Type	Name of Subsidiary	No of Plants and Location
1	Tablet, Hardgelatin Capsule, Dusting Powder bottles, Ayurvedic Syrup Bottles, Sachets, Pouch Milk Powder, Tablets, Tubes External Preparations, Syrup, Oral Powder / Dry Syrup sachets	Pharma Force Labs (Partnership firm)	3 Plants located at Paonta Sahib, Himachal Pradesh, India
2	Tablets, Syrup Bottles, Oral Powder / Dry Syrup, Ampoules, Dry Syrup / Drop / Suspension	Relax Pharmaceuticals Private Limited	2 Plants located at Paonta Sahib, Himachal Pradesh, India
3	Liquid Oral, OSD (Bolus) Pharma/ Feed, Dry Powder, Tablet, Dry Syrup Bottles, Powder Sachets, Effervescent Tablets, Granules Bottles	Copmed Pharmaceuticals Private Limited	3 Plants located at Paonta Sahib, Himachal Pradesh, India
4	Powder Pouch, Liquid Bottles, Bolus	Vetbesta Labs (Partnership firm)	1 Plant located at Paonta Sahib, Himachal Pradesh, India
5	Tablet, Hardgelatin Capsule, Pregnancy Kit	Mediforce Healthcare Private Limited	2 Plants located at Paonta Sahib, Himachal Pradesh, India
6	Cream / Gel Tubes, Deo Bottles, Lotions Bottles, Hand Rub Bottle	Mankind Specialities (Partnership firm)	1 Plant located at Paonta Sahib, Himachal Pradesh, India
7	Condoms, Face Mask	Penta Latex LLP	2 Plants located at Haridwar, Uttarakhand, India
8	Active Pharmaceutical Ingredients	Shree Jee Laboratory Private Limited	1 Plant located at Behror, Rajasthan, India
9	Active Pharmaceutical Ingredients, Intermediates	JPR Labs Private Limited	1 Plant located at Visakhapatnam, Andhra Pradesh, India
10	Packaging	Medipack Innovations Private Limited	1 Plant located at Paonta Sahib, Himachal Pradesh, India
11	Packaging	Packtime Innovations Private Limited	1 Plant located at Pune, Maharashtra, India
12	Packaging	North East Pharma Pack (Partnership firm)	1 Plant located at East Sikkim, Sikkim, India
13	Packaged Pet Food	Mankind Lifesciences Private Limited	1 Plant located at Paonta Sahib, Himachal Pradesh, India
14	Readymix Powder Coating Material	Pharmaforce Excipients Private Limited	1 Plant located at Paonta Sahib, Himachal Pradesh, India

##### (iii) Research and Development ("R & D") Units location of Company and Subsidiaries as on March 31, 2023

Sr. No.	Name of entity	No. of Units and Location
1	Mankind Pharma Limited	3 R&D units located at Manesar, Haryana, India 1 R&D unit located at Thane, Maharashtra, India
2	Copmed Pharmaceuticals Private Limited (Subsidiary)	1 R&D unit located at Dehradun, Uttarakhand, India
3	Mediforce Research Private Limited (Subsidiary)	1 R&D unit located at Paonta Sahib, Himachal Pradesh, India



**(o) Address for correspondence**

Investors may contact Mr. Pradeep Chugh, Company Secretary and Compliance Officer of the Company at investors@mankindpharma.com for any assistance and guidance in connection with secretarial matters and Mr. Ravi Kumar Agrawal, Head – Investor Relations at investor.relations@mankindpharma.com for any institutional investors' related matters.

**The correspondence address of your Company are:**

**Registered Office:** 208, Okhla Industrial Estate, Phase-III, New Delhi- 110020

TEL: +91 11 47476600

**Corporate Office:** 262, Okhla Industrial Estate, Phase-III, New Delhi- 110020

TEL: +91 11 46846700

**(p) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad**

Not Applicable

**OTHER DISCLOSURES**

**(a) Related Party Transactions**

All Related-Party contracts or arrangements or transactions entered during the year were on arm's length basis and in the ordinary course of business and not material in nature as well as in compliance with the applicable provisions of the Act/ Regulations. None of the contracts or arrangement or transactions with any of the Related Parties were in conflict with the interest of your Company.

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the Note No. 42 and 43 of the respective standalone and consolidated financial statements of the Company forming part of this Annual Report. The policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is uploaded on the Company's website at <https://www.mankindpharma.com/investors-relations/corporate-governance>

**(b) Details of capital market non-compliance, if any**

There is no non-compliance on any matter related to capital markets, during the last three years.

**(c) Vigil Mechanism**

The Board of Directors have adopted Vigil Mechanism Policy. The Vigil Mechanism Policy aims for conducting the affairs of the Company in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

A mechanism has been established for stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of stakeholders who avail of the mechanism and allows direct access to Chairperson of the Audit Committee.

Stakeholders have numerous ways to voice their concerns and are encouraged to report the same internally for resolution. The said Policy provides for adequate safeguards against retaliation and access to the Audit Committee. The policy is uploaded on the Company's website at <https://www.mankindpharma.com/investors-relations/corporate-governance>

**(d) Compliance with mandatory and discretionary requirements**

The Company is complying with all applicable provisions of SEBI Listing Regulations including regulations 17 to 27 and 46. The Company has complied with following discretionary requirements under regulation 27(1) of the Listing Regulations

- i) The auditors have issued an unmodified opinion on the Standalone and Consolidated financial statements of the Company for the Financial Year 2022-23;
- ii) The Internal Auditor of your Company directly reports to the Audit Committee.

Further, On the basis of declarations received from Board Members and Senior Management Personnel, the Whole-time Director and Chief Executive Officer has given a declaration that the Members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and The Senior Management during the Financial Year 2022-23. A copy of such declaration is enclosed as Annexure I with this report.

Compliance of the conditions of Corporate Governance have also been audited by M/s Dayal & Maur, Company Secretary in practice and after being satisfied of the above compliances, they have issued a compliance certificate in this respect pursuant to Schedule V of the SEBI Listing Regulations. The said certificate is enclosed as Annexure II to this report.

**(e) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations**

During the financial year 2022-23, there were no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

**(f) Certificate from Company Secretary in Practice regarding Non-disqualification of Directors**

None of the Directors on the Board of the Company have been debarred or disqualified from appointment or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34 of the SEBI Listing Regulations and certificate in this respect received from an M/s Dayal & Maur, Company Secretary in practice is enclosed as Annexure III to this report.

**(g) Consolidated fees paid to joint statutory auditors**

Total fees for all services paid by the Company and its subsidiaries on a consolidated basis to the Joint Statutory Auditors and all the entities in the network firm/network entity of which Joint Statutory Auditors is a part are provided in Note No 36 to the consolidated financial statements.

**(h) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013**

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Board's Report. During the year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

During FY 2022-23, Lifestar Pharma Private Limited ("Lifestar") was identified as a material subsidiary pursuant to the provision of SEBI ICDR Regulations. However, since Lifestar was amalgamated with the Company during FY 2022-23, the Company did not have any material subsidiaries as on March 31, 2023. The policy for determining Material Subsidiaries is uploaded on the Company's website at <https://www.mankindpharma.com/investors-relations/corporate-governance>

**(j) Compliances under Clause C of Schedule V of SEBI Listing Regulations**

The Company has complied with the requirement of Corporate Governance Report as mentioned in sub paras (2) to (10) of Schedule V of the SEBI Listing Regulations 2015, to the extent as applicable to the Company.

**(k) Certification under Regulation 17(8) of SEBI (LODR) Regulations**

The Chief Executive Officer and the Chief Financial Officer have certified to the Board on the financial reporting and internal controls as required under Regulation 17(8), read with Part B of Schedule II of the SEBI Listing Regulations. The certification by Chief Executive Officer and Chief Financial Officer is enclosed as Annexure IV to this report.

**(l) Reporting as per para F of Schedule V of the SEBI Listing Regulations**

As required under para F of Schedule V of the SEBI Listing Regulations, the requirement of reporting details of shares in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are not applicable for the FY 2022-23.

**(m) Disclosure of certain types of agreements binding the Company**

In terms of Regulation 30A of SEBI Listing Regulations, there are no such agreements which are required to be disclosed.

## GREEN INITIATIVE

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half yearly results, amongst others, to Members at their e-mail address previously registered with the Depository Participants and Registrar and Share Transfer Agents. Members who have not registered their e-mail addresses so far are requested to do the same.

**For and on behalf of the Board of  
Mankind Pharma Limited**

**Ramesh Juneja**  
Chairman and Whole-time Director  
DIN: 00283399

**Rajeev Juneja**  
Vice Chairman and Managing Director  
DIN: 00283481

Date : August 2, 2023  
Place : New Delhi

## COMPLIANCE WITH THE CODE OF CONDUCT

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz. [www.mankindpharma.com](http://www.mankindpharma.com).

It is further confirmed that all the Directors and Senior Management have affirmed their compliance with the Code for the Financial Year ended March 31, 2023.

**For Mankind Pharma Limited**

**Sheetal Arora**  
Chief Executive Officer and Whole-time Director  
DIN: 00704292

Annexure I



### CERTIFICATE OF CORPORATE GOVERNANCE

(Pursuant to regulations and Schedule V Para C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Mankind Pharma Limited**  
208, Okhla Industrial Estate,  
Phase III, New Delhi 110020

1. We have examined the compliance of conditions of Corporate Governance by Mankind Pharma Limited for the year ended 31<sup>st</sup> March, 2023, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For DAYAL & MAUR**  
Company Secretaries  
Firm Regn No. P2007DE092500

**SHAILESH DAYAL**  
Partner  
FCS No. 4897  
CP No. 7142  
Peer Review Cert. No. 923/2020  
UDIN: F004897E000726497

Place: New Delhi  
Date: August 2, 2023

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**Mankind Pharma Limited**  
208, Okhla Industrial Estate phase III  
New Delhi 110020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mankind Pharma Limited** having CIN: U74899DL1991PLC044843 and having registered office at 208, Okhla Industrial Estate, Phase III, New Delhi 110020 (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 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Ramesh Juneja	00283399	03.07.1991
2	Mr. Rajeev Juneja	00283481	22.12.1992
3	Mr. Sheetal Arora	00704292	21.09.2007
4	Mr. Surendra Lunia	00121156	19.02.2015
5	Mr. T. P. Ostwal	00821268	01.01.2020
6	Mr. Bharat Anand	02806475	31.08.2018
7	Ms. Vijaya Sampath	00641110	01.08.2022
8	Mr. Vivek Kalra	00426240	01.08.2022
9	Mr. Satish Kumar Sharma	07615602	23.09.2016
10	Mr. Leonard Lee Kim	07379167	14.03.2016

Ensuring the eligibility for the 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 DAYAL & MAUR**  
Company Secretaries  
Firm Regn No. P2007DE092500

**SHAILESH DAYAL**  
Partner  
FCS No. 4897  
CP No. 7142  
Peer Review Cert. No. 923/2020  
UDIN: F004897E000726301

Place: New Delhi  
Date: August 2, 2023

## Annexure IV

To,  
The Board of Directors  
**Mankind Pharma Limited**  
208, Okhla Industrial Estate  
Phase III, New Delhi 110020

**Sub: Compliance Certificate pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sirs/Madam

We hereby confirm that:

- A. we have reviewed financial statements and the cash flow statement of Mankind Pharma Limited ("listed entity") for the year ended 31<sup>st</sup> March, 2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. to the best of our knowledge and belief, no transactions were entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have, to the extent applicable, indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

#### For Mankind Pharma Limited

**Sheetal Arora**  
Chief Executive Officer and Whole-time Director

**Ashutosh Dhawan**  
Chief Financial Officer

Date: 30.05.2023  
Place: New Delhi

# Business Responsibility and Sustainability Report

## Section A: General Disclosures

### I. Details of Listed Entity

1.	Corporate Identity Number (CIN) of the Company	U74899DL1991PLC044843
2.	Name of the Company	Mankind Pharma Limited
3.	Year of incorporation	1991
4.	Registered office address	208, Okhla Industrial Estate, Phase-III, New Delhi 110020, India
5.	Corporate address	262, Okhla Industrial Estate, Phase-III, New Delhi 110020, India
6.	E-mail id	investors@mankindpharma.com
7.	Telephone	+91 11 4684 6700
8.	Website	https://www.mankindpharma.com/
9.	Financial year reported	1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
10.	Name of the Stock Exchanges where shares are listed	As on 31 <sup>st</sup> March 2023 the Company was unlisted. The equity shares of the Company get listed on BSE Limited and National Stock Exchange of India Limited on 9 <sup>th</sup> May 2023
11.	Paid-up Capital	₹ 400,588,440
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Suresh Raju Penmetsa Vice President - Corporate EHS & Sustainability Board Number-011-46546700 Ext.: 3308 Email: suresh.raju@mankindpharma.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosure under this Business Responsibility and Sustainability Report is on standalone basis

### II. Products/Services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Trade	Wholesale Trading	63.90%
2	Manufacturing*	Chemicals and chemical products, pharmaceuticals, medicinal and botanical products	35.55%

\*Manufacturing includes Paonta Unit-1, Unit-2 & Unit-3, Sikkim & Udaipur.



### 15. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing pharmaceuticals, medicinal chemical and botanical products	210	35.55%
2	Wholesale of pharmaceutical and medical goods	46497	63.90%

### III. Operations

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

Location	Number of plants	Number of offices	Total
National	4	7	11
International	-	1	1

#### 17. Markets served by the Company

##### a. Number of locations

Locations	Number
National (No. of States)	21 (Pan India)
International (No. of Countries)	19

##### b. What is the contribution of exports as a percentage of the total turnover of the Company?

2.21%

##### c. A brief on types of Customers

Customers include drug distributors, suppliers, retail pharmacies and patients who purchase goods from the Company based on a doctor's prescription. The Company also caters to the institutional market, which mostly consists of government and semi-government organisations as well as hospitals, nursing homes, clinics, and dispensing physicians.

### IV. Employees

#### 18. Details as at the end of Financial Year, i.e., March 31, 2023

##### a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	No. (B/A)	No. (C)	No. (C/A)
<b>Employees</b>						
1.	Permanent (D)	17491	17113	97.8	378	2.2
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total employees (D+E)</b>	<b>17491</b>	<b>17113</b>	<b>97.8</b>	<b>378</b>	<b>2.2</b>
<b>Workers</b>						
4.	Permanent (F)	977	923	94.5	54	5.5
5.	Other than Permanent (G)	-	-	-	-	-
6.	<b>Total workers (F+G)</b>	<b>977</b>	<b>923</b>	<b>94.5</b>	<b>54</b>	<b>5.5</b>

##### b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently Abled Employees</b>						
1.	Permanent (D)	2	2	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D+E)</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0</b>
<b>Total differently abled workers</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	-	-	-	-	-
6.	<b>Total differently abled workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### 19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10*	1	10 %
Key Management Personnel	7	-	0.00%

\* The number of board of directors is exclusive of one alternate director and the position is as on 31st March 2023.

#### 20. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

Particulars	FY2023			FY2022			FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.62	23.28	22.63	19.48	19.74	19.49	14.48	21.33	14.59
Permanent Workers	9.20	1.85	8.8	11.06	0	10.48	17.91	2.70	17.17

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

#### 21. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Mankind Prime labs Private Limited	Subsidiary	100.00%	No
2	Shree Jee Laboratory Private Limited	Subsidiary	100.00%	No
3	Lifestar Pharma LLC	Subsidiary	90.00%	No
4	Mankind Pharma Pte Limited	Subsidiary	100.00%	No
5	Medipack Innovations Private Limited	Subsidiary	51.00%	No
6	Broadway Hospitality Services Private Limited	Subsidiary	100.00%	No

Sl. 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)
7	Pavi Buildwell Private Limited	Subsidiary	100.00%	No
8	Prolijune Lifesciences Private Limited	Subsidiary	100.00%	No
9	Jaspack Industries Private Limited	Subsidiary	100.00%	No
10	Packtime Innovations Private Limited	Subsidiary	90.00%	No
11	Mahananda Spa and Resorts Private Limited	Subsidiary	100.00%	No
12	Relax Pharmaceuticals Private Limited	Subsidiary	63.00%	No
13	Copmed Pharmaceuticals Private Limited	Subsidiary	63.00%	No
14	Vetbesta Labs	Subsidiary	60.48%	No
15	Mediforce Healthcare Private Limited	Subsidiary	62.98%	No
16	JPR Labs Private Limited	Subsidiary	100.00%	No
17	Appian Properties Private Limited	Subsidiary	100.00%	No
18	Penta-Latex	Subsidiary	68.00%	No
19	Pharma Force Labs	Subsidiary	63.00%	No
20	Qualitek Starch Private Limited	Subsidiary	60.46%	No
21	North East Pharma Pack	Subsidiary	57.50%	No
22	Mankind Specialties	Subsidiary	98.00%	No
23	Mediforce Research Private Limited	Subsidiary	61.74%	No
24	Pharmaforce Excipients Private Limited	Subsidiary	63.00%	No
25	Superba Warehousing LLP	Subsidiary	51.00%	No
26	Lifestar Pharmaceuticals Private Limited	Subsidiary	85.00%	No
27	Mankind Life Sciences Private Limited	Subsidiary	100.00%	No
28	Mankind Pharma FZ LLC	Subsidiary	100.00%	No
29	Appify Infotech LLP	Subsidiary	100.00%	No
30	Mankind Consumer Healthcare Private Limited	Subsidiary	100.00%	No
31	Mankind Agritech Private Limited	Subsidiary	100.00%	No
32	Upakarma Ayurveda Private Limited	Subsidiary	90.00%	No
33	N S Industries	Associate	48.00%	No
34	A S Packers	Associate	50.00%	No
35	Sirmour Remedies Private Limited	Associate	40.00%	No
36	ANM Pharma Private Limited	Associate	34.00%	No
37	J K Print Packs	Associate	33.00%	No
38	Superba Buildwell	JV	60.00%	No
39	Superba Developers	JV	70.00%	No
40	Superba Buildwell (South)	JV	70.00%	No

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in INR) :- INR 8127.15 Cr (Standalone)

(iii) Net worth (in INR) :- INR 7783.91 Cr (Standalone)

## VII. Transparency and Disclosure Compliances

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

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY2023			FY2022		Remarks
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	
Communities	The Company has measures in place for receiving external complaints as required following the ISO 14001 and ISO 45001 standards. Additionally, a register is placed near the factory gate for noting the complaints received from the nearby community. No complaints received.						
Investors (other than shareholders)	Yes, a mechanism is in place wherein Company's representatives and advisors have been identified to understand and address their concerns, if any.-No complaints received						
Shareholders	Yes, the Company has a grievance redressal mechanism in place. The Company has appointed Kfin Technologies Limited as the Share Transfer Registrars who are responsible for resolving investors'/ shareholders' queries, concerns, enquiries or complaints. No complaints received. The Shareholders can also send their grievances at email ID investors@mankindpharma.com or at einward.ris@kfintech.com.						
Employees and workers	The employees and workers have access to Whistle-Blower mechanism, wherein they can reach out to the designated ombudsman via an email address mentioned in the said policy Link of the policy - <a href="https://www.mankindpharma.com/assets/pdf/corporate-governance/vigil-mechanism-policy.pdf">https://www.mankindpharma.com/assets/pdf/corporate-governance/vigil-mechanism-policy.pdf</a> . They can also reach out to the Human resource team over mail/Phone/ Personal Approach to get their grievances resolved. No complaints received.						
Customers	Complaints can be raised by complainant via various methods such as telephone calls received on Mankind's toll-free no., emails at mailbox (contact@mankindpharma.com), fax, any postal mails received at Mankind's offices etc. Complaints can be received in any form i.e., written, electronic or oral communication reported by customers, hospitals, regulatory agencies, government laboratories, retailers, distributors, etc., that alleges deficiencies related to the identity, quality, reliability, safety and/ or efficacy of a product after it is distributed beyond the control area of the Mankind quality systems. No complaints received.						
Value Chain Partners	The contractors and vendors have access to the whistle and blower mechanism, wherein they can reach out to the designated ombudsman via an email address mentioned in the said policy. Link of the policy - <a href="https://www.mankindpharma.com/assets/pdf/corporate-governance/vigil-mechanism-policy.pdf">https://www.mankindpharma.com/assets/pdf/corporate-governance/vigil-mechanism-policy.pdf</a> . No complaints received.						



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY2023			FY2022		Remarks
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	
Other (please specify)	Not applicable						

**24. Overview of the company’s material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Reduce dependence on conventional energy sources</li> <li>Cost reduction, brand image (carbon neutral positive)</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Due to the shift from conventional energy sources to more renewable energy sources, the Company looks at this as an opportunity to explore more areas that help in the overall cost reduction and move the Company towards green energy, which is more eco-friendly.</li> </ul>		Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water management	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Reducing dependence on freshwater withdrawal through rainwater harvesting and cost reductions</li> <li>Brand image (water neutral/positive); water offset programmes</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Focusing on deploying more water conservation initiatives within the Company. This also helps the Company in becoming a water positive company.</li> </ul>		Positive
3	Waste management and sustainable packaging	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Sustainable packaging initiatives</li> <li>Establish waste traceability</li> <li>Achieve zero waste-to-landfill</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>The Company is looking forward towards using more sustainable raw materials to reduce overall waste generation.</li> </ul>		Positive
4	Emission	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Achieve carbon neutrality</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Investments in new technologies that help in reducing emissions</li> <li>Moving towards eco-friendly processes</li> </ul>		Positive
5	Access to healthcare	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Opportunity to develop a robust pipeline of products for unmet medical needs</li> <li>Brand image</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Building an advanced supply chain management system.</li> </ul>		Positive
6	Health, safety and the well-being of employees	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Safe workplaces</li> <li>Brand reputation</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Implementation of world class health care system. Improvement of overall health management system of the Company</li> </ul>		Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	CSR	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Enhanced brand image</li> <li>Social licence to operate</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Working towards the betterment of the communities.</li> <li>Improving healthcare.</li> <li>Providing access to education.</li> </ul>		Positive
8	Regulatory Compliances	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Greater integration of ESG into business functions</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Implementation of good governance structure and integrating ESG in the governance structure.</li> </ul>		Positive .
9	Promotion of diversity and inclusiveness	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Enhanced brand image</li> <li>Talent retention</li> </ul>	<b>Opportunity</b> <ul style="list-style-type: none"> <li>Developing new policies to improve diversity and inclusion inside the Company.</li> </ul>		Positive
10	Sustainable supply chain management	<b>Risk</b> <ul style="list-style-type: none"> <li>Multi player in market increase the competition for us</li> <li>Streamlining operations and cost optimisation</li> </ul>	<b>Risk</b> <ul style="list-style-type: none"> <li>Growing expenditures for sourcing raw materials</li> <li>Stable supply chain is necessary in pharmaceutical industry</li> <li>Anticipate, prevent, and mitigate any potential concerns that could lead to disruptions in supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Establish a comprehensive supplier code of conduct and ensure strict adherence by engaging with partners and suppliers and conducting regular audits.</li> <li>Shift toward Cost effective and low-carbon logistics</li> <li>Establishing an integrated supply chain, seamless availability of medicine is ensured for customers, patients, partners, and healthcare organizations worldwide</li> </ul>	Negative

### Section B: Management and Process Disclosures

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7#	P8	P9
<b>Policy and management processes</b>									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies have been approved either by the Board , responsible Internal Committee or respective department, wherever applicable.								
c. Weblink of the policies, if available	The policies are available on (1) website of the Company - www.mankindpharma.com and (2) Intranet portal of the Company - accessible to the employees of the Company.								
2. Whether the Company has translated the policy into procedures. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	<ul style="list-style-type: none"> <li>Environmental Management System-(ISO 14001)</li> <li>Occupational Health and Safety Management System-(ISO 45001)</li> <li>EPR- Plastic Waste Management IS-14489-3rd Party Safety Audit, including NBC 2016 and other applicable IS standards are being followed</li> <li>Good Manufacturing Practice (cGMP) compliance certification for facilities at Paonta Sahib Unit-3</li> </ul>								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	None	None	None	None	None	Refer below*	None	None	None
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	None	None	None	None	None	None	None	None	None



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7#	P8	P9
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**Governance, leadership and oversight**

7 Below is the statement by Mr. Satish Kumar Sharma, Whole-Time Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements. Mankind Pharma Limited emphasizes the importance of creating value for stakeholders and ensuring a sustainable future for generations to come. As part of its environmental management plan, the company has taken significant steps to address challenges related to waste and water management. Continuous monitoring and measurement of key parameters have enabled substantial improvements in energy and water efficiency. Mankind Pharma Limited demonstrates its commitment to transparent communication by actively engaging with stakeholders and keeping them informed about sustainability initiatives. The company recognizes the need to monitor progress towards sustainability goals and actively seeks to excel in Environment, Health, and Safety (EHS) as part of its growth strategy. The increasing focus on ESG considerations and sustainability has driven Mankind Pharma Limited to expand its corporate philosophy and integrate ESG considerations throughout its operations.

8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).	Corporate HR Head	Corporate Purchase Head	Corporate HR Head	Corporate HR, Secretarial & Investor relation Department	CHR Head	President Operations & Corporate EHS Head	CHR Head	Corporate HR & Corporate EHS	Corporate HR & Corporate IT
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9 Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, the Company's Risk Management Committee oversees sustainability-related matters, particularly those related to ESG. The Committee reports to and updates the Board regarding the actions to be taken, if any, to mitigate any relevant concerns. The details of the Risk management committee are as follows:

- 1 Sheetal Arora - CEO and Whole-Time Director  
Designation -Chairperson
- 2 Surendra Lunia - Independent Director  
Designation- Member
- 3 Ashutosh Dhawan- CFO  
Designation- Member
- 4 Bharat Anand – Independent Director  
Designation – Member
5. Mrs. Vijaya Sampath – Independent Director  
Designation - Member

Note: Mr. Surendra Lunia ceased as a member of Risk Management Committee w.e.f. 2nd August, 2023. Mr. Bharat Anand and Mrs. Vijaya Sampath became members of the Risk Management Committee w.e.f. 2nd August, 2023.

#The Company plays an important role in public policy advocacy through regular engagement with specific external stakeholders including industry associations, government bodies and regulatory departments.

\* FY'23-24; Targets

1. Reduction of Carbon footprints by 10%
2. Increase in Recycling of Treated Waste Water by 5% Base year FY'22-23
3. Mankind Supplier Assessment of 70% supplier on ESG parameters as per BRSR
4. Scope-3 emission mapping for upstream/ downstream activities
5. Reach target of ZERO LTA
6. 100% statutory compliance
7. External EHS audit with no Major NC
8. 100% implementation of ISO14001 and ISO 45001 by FY 2024
9. 100% plastic neutral for mankind pharma as per CPCB EPR Target & circulars.

10 Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review provided below taken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									The Policies are reviewed periodically or on a need basis by the Board/ responsible Internal Committee/ respective department, as the case may be.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	All regulatory and statutory compliances are being reviewed. If any non-compliance are observed, they are addressed in a time-bound programme.									Applicable Statutory compliances are reviewed once in a month at site level at each manufacturing site and once in 6 months at Corporate level by Management review Meeting (MRM).								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
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11 Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

Certification bodies conduct annual audits for evaluating compliance against the requirement of quality, health and safety, environment, and energy conservation policy and Compliance certificate is given to all manufacturing sites covering all departments. Once in Six month by Corp Legal. Third-party audits for EHS management, energy, finance, quality, engineering, HR are conducted for factories along with financial and regulatory audits. (M/s SGS etc.)

12 If answer to question (1) above is 'No' i.e., not all Principles are covered by a Policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/No)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
It is planned to be done in the next financial year (Yes/No)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Any other reason (please specify)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

**Section C: Principle Wise Performance Disclosure**

**Principle 1:**

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

**Essential Indicators**

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	P1 to P9	40%
Key Managerial Personnel	1	P1 to P9	100%
Employees other than Board of Directors and KMPs	553	Habits, Managerial Development program, Higher Education, MDP, SCM Enhancement	77%
Workers	656	Kaizen, 5 S, SOP, Good Practice, Shop floor training	87%

2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

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

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				NIL
Punishment				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
Not applicable	

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

Yes, the Company has an anti-corruption or anti-bribery policy in place.  
 Web-link of the policy: <https://www.mankindpharma.com/code-of-conduct>

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

	FY2023	FY2022
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest

	FY2023		FY2022	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

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

Not applicable

**Leadership Indicators**

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
26	Kaizen, Leadership Development, DMAIC, VSM	85%



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

Yes, the Company has in place a 'Code of Conduct' which is applicable to the board members as well. The Code of Conduct outlines guiding principles which assist in performing the duties in an ethical manner. Further, the board members periodically disclose to the Board the details of their interest in other entities pursuant to the requirement of the Companies Act, 2013. Transaction with the board members or any entity in which such board members are concerned or interested have to be approved by the Audit Committee/ the Board of Directors, as applicable. In such cases, the interested directors abstain themselves from the discussions at the meetings.

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

**Essential Indicators**

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

Segment	FY2023	FY2022	FY2022
R&D	0	0	Projects for Pollution Control, both in terms of waste water, Air, Hazardous waste, Safety for employee & Community around
Capex	100%	100%	

The Company has carried out detailed study on reduction of CO2 emissions in area like steam generating boilers, Renewable energy Solar Power Plants, reduction in high energy consuming motors with required capacity of motors.

All R&D investments are focused on sustainable developments, Green Chemistries development like Substitution of Highly hazardous chemicals with less hazardous chemicals, increasing the %age of Yield, Green Energy Fuels usage, Human health & Well being in terms of most reliable & Safe operations etc.

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

Yes, the company has developed Supplier code of conduct which is being rolled out for priority suppliers like critical and strategic suppliers. This includes various principles and guidelines such as EHS, Legal compliance etc.

The Company is starting carrying out a sustainability assessments with critical suppliers and communicates areas of improvement to make it more.

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

92%

**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.**

<b>(a) Plastics (including packaging)</b>	Mankind Pharma Limited operates in more than two states, and in compliance with the Plastic Waste Management Rules, 2016, it registered with the Central Pollution Control Board (CPCB) in FY21. Which got renewed until 2024. The Company collects the plastic waste from all the states as per the defined SOP released by the CPCB. In FY'22 and FY'23 the company collected 562.52 MT & 5385.52 MT (whole Mankind) of post consumer plastic waste that was dispatched to a third party for recycling. The Company introduced a waste management agency alongside working with local organisations for collection and recycling. In FY23, as per EPR approved by CPCB, the Company's plastic waste is collected based on a state-wise model rather than a zone-wise model, and this is a continuous process that will be enhanced in the subsequent years. The Company is also exploring new technologies to reduce plastic usage in its existing processes, with the aim of becoming plastic neutral in the upcoming years.
<b>(b) E-waste</b>	E-waste is sent to authorized 3rd Party recyclers as per the E-waste rules.
<b>(c) Hazardous waste</b>	Used oil being a hazardous waste as per HW rules is given to authorised recycler. Other categories of hazardous waste is disposed off in an authorised treatment facilities as per state specific regulations.
<b>(d) other waste( Battery Waste/ Biomedical Waste)</b>	Battery Waste is sent to the authorized dealers/ recyclers & Bio-Medical Waste is incinerated at 3rd party site as per the state regulations

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

Yes, the Company has formulated various waste disposal strategies for each category of waste in order to minimise harm to the environment. The Company is registered with CPCB under Plastic Waste Management Rules, 2016. Further, the Company's plastic waste collection is based on a state- wise model and some hazardous and non-hazardous waste is sent to co-processing plants of the cement industry.

**Leadership Indicators -**

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

No, the Company has not conducted any LCA for specific products, however LCA was conducted as activities, based on which both API and Formulations operations were covered. The boundary of which is 'Cradle to Gate'.

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
None					

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.**

LCA for individual product is not done, however, Environmental Impact Assessment (EIA) and Health Impact Risk Assessment (HIRA) is done for each and every activity including utility.

Significant risk, for both EIA and HIRA, if found, is addressed by initiating EHS Management Programme (EMP) with action plans and target dates for its completion. Monthly review is done at site level for its effectiveness.

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

Indicate input material	Recycled or re-used input material to total material	
	FY2023	FY2022
	-	-
	-	-

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

	FY2023			FY2022		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NIL	3584 MT	1801.3 MT	NIL	306.7 MT	255.8 MT
E-waste	None, however, e-waste is sent to authorised recycler	671.02 MT	NA	NIL	873	NA
Other waste- Bio-Medical Waste	N.A	NA	26.2 MT	NIL	NA	26.9 MT
Hazardous Waste	Not applicable	3.93 MT	283.21 MT	NA	3.81 MT	282.41 MT

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

Since the company is engaged in Pharmaceutical products that are for human consumptions, we do not reclaim products for reusing, recycling & disposing them till end of their life.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
None	

**Principle 3:** Business should respect and promote the wellbeing of all employees, including those in their value chains

**Essential Indicators:**

1. a. **Details of measures for the wellbeing of employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number* (F)	% (F/A)
<b>Permanent employees</b>											
Male	17113	16805	98	17113	100	0	0%	-	-	-	-
Female	378	359	95	378	100	15	4%	-	-	-	-
<b>Total</b>	<b>17491</b>	<b>17164</b>	<b>98</b>	<b>17491</b>	<b>100</b>	<b>15</b>	<b>4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees#</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

- b. **Details of measures for the wellbeing of workers:**

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number* (F)	% (F/A)
<b>Permanent Workers</b>											
Male	923	578	62.6	923	100	-	-	-	-	-	-
Female	54	24	44.4	54	100	-	-	-	-	-	-
<b>Total</b>	<b>977</b>	<b>602</b>	<b>61.6</b>	<b>977</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent Workers#</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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

Benefits	FY2023			FY2022		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/Not applicable)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/Not applicable)
PF	99.45	95.19	Yes	100	94	Yes
Gratuity	99.45	95.19	Yes	100	94	Yes
ESI	10.19	38	Yes	26	41	Yes
Others- please specify	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

**3. Accessibility of workplaces Are the premises / offices of the Company 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 Company in this regard.**

The Company is taking the requisite steps to create a better and more accessible work space for its people. The manufacturing facilities of the Company, its administration offices and the corporate headquarters offices have ramps, elevators and other infrastructure, that provide easy access to differently abled individuals.

**4. Does the Company 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 offers a workplace free from discrimination based on age, colour, origin, nationality, disability, religion, race, caste, gender, sex, and sexual orientation. The Company believes in workplace diversity and inclusivity (D&I) to be a tool for economic growth and the creation of a long-lasting competitive advantage.

The Company's code of conduct clearly prohibits discrimination on the basis of any factor.

Web-link of the policy- <https://www.mankindpharma.com/code-of-conduct#f>

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

	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	0	0	0	0
Female	100%	93%	100%	100%
Total	100%	93%	100%	100%

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes
Other than permanent workers	Yes
Permanent employees	Yes
Other than permanent employees	Yes

Yes, the employees and workers have access to a whistle blower mechanism, wherein they can reach out to the designated ombudsman via an email address mentioned the said policy. The redressal mechanism involves three tier of Grievances redressal system as mention in the below link.

Link of the policy - <https://www.mankindpharma.com/assets/pdf/corporate-governance/vigil-mechanism-policy.pdf>. They can also reach out to the human resource team over mail/Phone/Personal approach to get their grievances resolved.

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

No, the Company does not have employees who are members of or workers in association(s) or Unions.

Category	FY2023			FY2022		
	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	17491	0	0%	16811	0	0%
-Male	17113	0	0%	16497	0	0%
-Female	378	0	0%	314	0	0%
Total Permanent Workers	977	0	0%	1001	0	0%
-Male	923	0	0%	949	0	0%
-Female	54	0	0%	52	0	0%

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

Category	FY2023					FY2022				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	17113	1,708	10	13849	81	16497	1,887	11.44	6679	40.5
Female	378	97	25.6	231	61	314	38	12.1	280	89
<b>Total</b>	<b>17491</b>	<b>1,805</b>	<b>10.32</b>	<b>14080</b>	<b>80.5</b>	<b>16811</b>	<b>1925</b>	<b>11.45</b>	<b>6959</b>	<b>41.4</b>
<b>Workers</b>										
Male	923	324	35.10	923	100	949	279	29.4	504	53
Female	54	24	44.44	54	100	52	34	65.4	45	86.54
<b>Total</b>	<b>977</b>	<b>348</b>	<b>35.62</b>	<b>977</b>	<b>100</b>	<b>1001</b>	<b>313</b>	<b>31.2</b>	<b>549</b>	<b>55</b>

## 9. Details of performance and career development reviews of employees and workers\*

Category	FY2023			FY2022		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2493	1831	73.45	2456	1657	67.47
Female	233	194	83	192	144	75
<b>Total</b>	<b>2726</b>	<b>2025</b>	<b>74</b>	<b>2648</b>	<b>1801</b>	<b>68</b>
<b>Workers</b>						
Male	949	750	79	720	472	65.5
Female	52	40	77	37	25	68
<b>Total</b>	<b>1001</b>	<b>790</b>	<b>79</b>	<b>757</b>	<b>497</b>	<b>66</b>

\*Only non-sales employee. PMS cycle of Mankind is from July to June every year. Hence data mentioned under FY'2022 is of FY'2021 & FY2023 data is of FY'2022.

## 10. Health and safety management system:

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

Through the implementation of various initiatives and the promotion of a safety culture, the EHS department strives to have 'zero' impact on people, processes and the environment. This is accomplished by creating a 360-degree EHS operating system across all the business operations. The EHS team ensures compliance with applicable legal and regulatory obligations with regard to pollution control, worker and plant safety, as well as employee and contractor health. Additionally, it offers the Company strategic help for waste reduction, reuse and recycling. All 3 manufacturing facilities at Paonta are ISO 14001/45001 certified. Sikkim manufacturing facility is in process of in rolling out ISO 14001/45001 management system. of the production facilities are ISO 14001/45001 certified. The system has 100% coverage. All internal and external stakeholders of the manufacturing sites, including personnel suppliers, contractors are covered as part of the Company's health and safety system.

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

For all workplace hazards, the Company conducts routine process safety risk assessments. It has the requisite permits in place for undertaking both routine & Non-routine work-related hazards. Integrated process safety management systems ensure all existing processes and new developments are assessed for risks. Process safety studies such as Process Hazard Analysis,

Equipment Safety Study through techniques including HAZOP, What-if and Risk Matrix are conducted by cross functional teams. Detailed risk-based assessments are conducted regularly along with extensive audits to evaluate the Company's health and safety performance at the site level.

- c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

Yes, near miss reporting, unsafe act & condition and its closure tracking is in place, the same has been reviewed by the management in the management review meeting.

Several channels are in place for the Company's workers to report concerns related to health and safety at the workplace. These include:

- Raising concerns during the periodic departmental level safety meetings. Based on the concern/s raised an action plan, with a strict timeline and a dedicated responsible person, is identified to ensure timely resolution.
- Following the Standard Operating Procedure on 'Incident reporting and investigation'
- In the event of an incident at the site, the workers are required to immediately make a report to the respective section Incharge/ Supervisor. The event is analysed by the Investigating team, consisting of cross functional departments and which is responsible for taking appropriate action. The Manufacturing plant has also implemented the Hazard Identification and Risk Assessment (HIRA) system to identify work-related hazards followed by routine risk assessment.

The Company organises regular safety committee meetings to provide a forum for management; employees and contract workmen come together to identify and resolve health and safety problems. The committee meets as per applicable regulations of the factories and consists of members who represent employees, workers and contractors from all the units and departments.

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

Yes, the Company provides access to non-occupational medical and healthcare services to its employees and workers. It provides free health check-ups for its employees.

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

Safety Incident /Number	Category	FY2023	FY2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

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

The EHS team 'ensures compliance with applicable' legal and regulatory obligations with regard to pollution control, workers and plant safety, as well as employee and contractor health. Additionally, it offers the Company strategic help for waste reduction, reuse and recycling. Some of the production facilities are ISO 14001/45001 certified. The system has 100% coverage. All internal and external stakeholders of the manufacturing sites, including personnel suppliers, contractors are covered as part of the Company health and safety system. The Company has also been conferred with the Golden Peacock Award for Occupational Health and Safety in FY'20-21.

All manufacturing plants have fire protection and prevention system in place. All 3 Paonta Manufacturing Units have a dedicated fire tender and operating crew in place to handle the emergencies.

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

Benefits	FY2023			FY2022		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health and Safety	NIL	NIL	NIL	NIL	NIL	NIL

The factory's HR department conducts training sessions on working conditions as part of their induction trainings. As per applicable factory rules mandating the display of working conditions, the working conditions are displayed at the security area of each factory. Employees and contractors are encouraged to know the conditions better to understand them.

## 14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the Company's all 4 manufacturing plants
Working Conditions	



**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.**

Hazard identification and risk assessment (HIRA) is employed to identify work-related hazards and assess risks on a routine and non-routine basis. These processes are periodically subject to internal and external audits as part of the EHS Management systems.

As part of the audit, competency of people is also checked to see if he/she is aware of the standard operating procedures and trained in HIRA. As an outcome of HIRA, for unacceptable risks, remediation actions are defined by proposing implementation of controls as per hierarchy of controls.

**Leadership Indicators**

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

Yes, for both Employees & Workers

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

The company has adequate mechanism in place to ensure that requisite statutory dues, as applicable to the transactions of the company with its value chain partners, are deducted and deposited in accordance to the applicable regulations and reviewed as per regular audit processes. The Company also collects necessary certificates & proofs from its contractors w.r.t statutory dues like PF, ESIC etc. relating to contractual employee & Workers.

The company expects its value chain partners to behave ethically and with integrity in all business transactions, they are having with the company.

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

No employee or worker has suffered high consequence work related injury/ill-health or fatality during the reporting period.

	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	
	FY2023	FY2022	FY2023	FY2022
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)**

No.

The company periodically provides skill up gradation program during employment. The training programs cater to the specific requirements of the cadre and relevant function areas which further enable employees to pursue employment post-retirement, based on the acquired skill set.

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

The company conducts assessment of Critical & Strategic value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	30%
Working Conditions	30%

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

Not Applicable

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

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

A structured method was developed for stakeholder consultation across the business using questionnaires and interviews. Internal stakeholders, in particular senior management and function heads, who stated the sustainability priorities of the Company. Consultations were conducted with external stakeholders to understand the performance of Mankind Pharma Limited's sustainability measures. The Company examined its peers' sustainability reports as well as the essential government regulations and regulatory papers to consider the perspectives of customers and regulators. The data obtained was thus combined based on the relative importance of each stakeholder. Stakeholders were prioritised based on how each stakeholder could impact the Company's performance vis-à-vis how the Company's performance could impact the stakeholder.

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

Stakeholder Group	Whether identified as vulnerable and marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Healthcare Professionals	No	<ul style="list-style-type: none"> <li>One-on-one meetings</li> <li>Sharing specific scientific updates and practices regarding newer therapies</li> </ul>	<ul style="list-style-type: none"> <li>Half yearly and need-based</li> </ul>	The Company engages with healthcare professionals to update them regarding its products and innovations. Key topics of concern - Product quality - Product availability
Customers	No	<ul style="list-style-type: none"> <li>Conducting regular customer surveys</li> <li>Receiving feedback to monitor trends through review meetings and calls</li> </ul>	<ul style="list-style-type: none"> <li>Half yearly and need-based</li> </ul>	The Company interacts with its customers to keep them updated about its offerings and resolve any grievances. Key topics of concern - Access to affordable products - Availability of the products - Customer care - Quality of products

Stakeholder Group	Whether identified as vulnerable and marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	<ul style="list-style-type: none"> <li>Engagement with suppliers on a continuous basis through scheduled meetings, weekly email briefings, and regular phone calls</li> </ul>	<ul style="list-style-type: none"> <li>Half yearly and need-based</li> </ul>	<p>Regular interaction with suppliers is necessary to continuously keep track of the quality of raw materials and understand any supply chain issues that might occur.</p> <p>Key topics of concern</p> <ul style="list-style-type: none"> <li>- Long term contracts</li> <li>- Pricing</li> </ul>
Regulators	No	<ul style="list-style-type: none"> <li>One-on-one meetings</li> <li>Mandatory submissions</li> <li>Periodic audits</li> </ul>	<ul style="list-style-type: none"> <li>Periodic and need-based</li> </ul>	<p>The Company engages with regulators for compliance, guidelines and technical guidance.</p> <p>Key topics of concern</p> <ul style="list-style-type: none"> <li>- Change in laws and regulations</li> <li>- Regulatory compliance.</li> <li>- Timely disclosures</li> </ul>
NGO's/ Communities	Yes	<ul style="list-style-type: none"> <li>Direct engagement at facility and project sites</li> <li>Dedicated CSR-team-led engagement</li> <li>Visits and camps</li> </ul>	<ul style="list-style-type: none"> <li>Continuous and need-based</li> </ul>	<p>The Company engages with communities through different CSR initiatives undertaken by the Company to improve the overall living conditions of the communities.</p> <p>Key topics of concern</p> <ul style="list-style-type: none"> <li>- CSR activities</li> <li>- Livelihood development</li> <li>- Access to education and healthcare.</li> </ul>
Investors and leadership	No	<ul style="list-style-type: none"> <li>Annual reports and quarterly results</li> <li>general meetings</li> <li>Media releases</li> <li>Performance and Business update calls</li> <li>Investor meetings</li> </ul>	<ul style="list-style-type: none"> <li>Annual and need-based</li> </ul>	<p>The Company engages with investors and leaderships as they help in maintaining the business performance and discuss future growth plans with them.</p> <p>Key topics of concern</p>

Stakeholder Group	Whether identified as vulnerable and marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> <li>Quarterly reviews to address employee queries at corporate and manufacturing locations</li> <li>New Year and other festive events, sporting events</li> <li>Blood donation camps</li> <li>Outbound training programmes</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing and need-based</li> </ul>	<ul style="list-style-type: none"> <li>- Business profitability</li> <li>- Stable business growth</li> <li>- Company's reputation</li> <li>- Corporate governance</li> </ul> <p>The Company continuously engages with employees through various training programmes and career development activities.</p> <p>Key topics of concern</p> <ul style="list-style-type: none"> <li>- Well-being</li> <li>- Work environment</li> <li>- Health and safety</li> <li>- Career growth</li> <li>- Capacity building</li> </ul>

### Leadership Indicators

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

Consultation with respective stakeholders is performed by the relevant business and functional heads. Feedback received from such consultations are provided to the senior management and/or the Board, wherever necessary.

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

Yes, Mankind conducted a detailed materiality assessments based on the data and insights gathered from relevant stakeholders. It assessed the environmental, Social, governance & economic issues critical for long term viability and sustainability of the organisation. This evaluation helped us in identifying & prioritizing the issues that were most important to the sustainability of company business. and value creation basis which company has taken goals to achieve sustainability targets.

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

The nearby community identified as vulnerable/ Marginalized stockholder group. Looking into the needs and requirement of the community, Company provided healthcare facilities, education related funds, Temples developments etc.



**Principle 5: Business should respect and promote human rights**

**Essential Indicators**

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

Category	FY2023			FY2022		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	17491	17491	100%	16811	16811	100%
Other than Permanent	0	0		0	0	0%
<b>Total Employees</b>	<b>17491</b>	<b>17491</b>	<b>100%</b>	<b>16811</b>	<b>16811</b>	<b>100%</b>
<b>Workers</b>						
Permanent	977	977	100%	1001	1001	100%
Other than Permanent	0	0	0	0	0	0%
<b>Total Workers</b>	<b>977</b>	<b>977</b>	<b>100%</b>	<b>1001</b>	<b>1001</b>	<b>100%</b>

The Company is dedicated to maintaining the highest ethical standards and policies, and it operates in a fair and transparent environment.

The whistle blower policy is in place to expose unethical behaviour and foster professionalism and ethical behaviour among its employees.

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

Category	FY2023					FY2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	17491	7552	43	9939	57	16811	2581	15	14230	85
Male	17113	7427	43.4	9686	57	16497	2548	15	13949	85
Female	378	125	33	253	67	314	11	3.5	281	90
<b>Other than Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
Permanent	977	423	43	554	57	1001	77	8	924	92
Male	923	377	41	546	59	949	73	8	876	92
Female	54	46	85	8	15	52	4	8	48	92
<b>Other than Permanent</b>	-	-	-	-	-	-	-	-	-	-
1Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

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

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category(INR)	Number	Median remuneration/ salary/wages of respective category (INR)
Board of Directors (BoD)	9*	40,00,000	1	32,40,000
Key Managerial Personnel (KMP)	3	2,42,28,816**	0	0
Employees other than BoD and KMP	17,106	4,33,296	378	6,02,412
Workers	923	3,66,804	54	3,29,994

\* The number of board of directors is exclusive of one alternate director and the position is as on 31st March 2023.

\*\* The median remuneration of Key Managerial Personnel ("KMP") is exclusive of remuneration paid to Executive Directors since it is covered under median remuneration of Board of Directors.

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)

The Company acknowledges the significance of human rights violations. The Company has a POSH, grievances redressal and a whistle blower policy in place to ensure a positive and safe work environment. The employees and contractors are free to discuss human rights concerns in safety and canteen committee meetings. Both the site HR and site EHS teams are responsible for addressing the concerns in consultation with the Site Head. Whenever necessary, those issues are escalated to the corporate level, including the Corporate HR Head and the Operation Head. Consolidated details are further discussed with the respective governance committees.

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

The Company's POSH and whistle blower policies help the employees in reporting any grievances. The grievances can also be reported directly through mails to the human resource team.

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

	FY2023			FY2022		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other Human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

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

Refer Grievances redressal Policy

Information on Employees reporting violations or potential violations of this Policy shall remain confidential. The Company's culture does not encourage any semblance of retaliatory behaviour against the Complainant.

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

Yes

**9. Assessment for the year:**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other- please specify	100%

The Company has a strong monitoring mechanism, including different policies and procedures that are in compliance with the applicable laws. The Company strictly enforces laws prohibiting child labour, minimum wages, forced or involuntary labour, sexual harassment and discrimination at the workplace. These issues are a prerequisite for the ethical functioning of the Company. The Company never tolerates any violations of basic human rights by any of its stakeholders. No cases of violations have been found in the reporting period.

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

Not Applicable

**Leadership Indicators**

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

Not applicable

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

None

**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?**

The Company is taking the requisite steps to create a better and more accessible work space for its people. The manufacturing facilities of the Company, its administration offices and the corporate headquarters offices have ramps, elevators and other infrastructure, that provide easy access to differently abled individuals.

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

Case Details	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	No
Discrimination at workplace	No
Child Labour	No

Case Details	% of value chain partners (by value of business done with such partners) that were assessed
Forced Labour/Involuntary Labour	No
Wages	No
Others – please specify	No

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

Not applicable.

**Principle 6: Business should respect and make efforts to protect and restore the environment**

**Essential Indicators**

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

Parameter	FY2023	FY2022
Total electricity consumption (A)	1,47,432 GJ	1,42,345 GJ
Total fuel consumption (B)	90,914 GJ	109,193 GJ
Energy consumption through other sources (C)	1,40,205 GJ	1,44,464 GJ
<b>Total energy consumption (A+B+C)</b>	<b>3,78,551 GJ</b>	<b>3,96,002 GJ</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	46.6	54.56
Energy intensity (optional-Production) – the relevant metric may be selected by the Company	60.76	59.91

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

No

**2. Does the Company 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.**

No, it is not applicable as the Company does not fall under the Energy Intensive industry. However, some of the manufacturing units have already installed renewable energy (Solar Power) panels to reduce the energy consumption from the non-renewable sources.

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

Parameter	FY2023	FY2022
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	292684	381804
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others (RWH collection and Reuse)	3101	5514
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>295785</b>	<b>387318</b>



Parameter	FY2023	FY2022
<b>Total volume of water consumption (in kilolitres)</b>	295785	387318
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	36.4	53.37
<b>Water intensity (optional-Production)</b> – the relevant metric may be selected by the entity	47.5	58.6

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

No

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

Wastewater (industrial effluent) comes mainly from washes, utility blowdown, toilets and canteens. The effluent generated from all the Company's plants is treated in state-of-the-art wastewater recycling facilities and recycled for further use.

**5. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:**

Parameter	Unit	FY2023	FY2022
NOx	Metric tons	13.324	12.857
SOx	Metric tons	2.622	0.690
Particulate matter (PM)	Metric tons	17.253	11.50
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

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

No

**6. Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) and its intensity, in the following format:**

Parameter	Unit	FY2023	FY2022
<b>Total Scope 1 emissions</b> (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)	tCO <sub>2</sub> e	14519	15753
<b>Total Scope 2 emissions</b> (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)	tCO <sub>2</sub> e	29077	28074
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	tCO <sub>2</sub> e/Cr	5.4	6.03
<b>Total Scope 1 and Scope 2 emission intensity (optional-Production)</b> – the relevant metric may be selected by the entity	tCO <sub>2</sub> E/MILLION TABLETS	6.99	6.63

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

No

**7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

Greenhouse gas emitting fuels used in boilers, such as diesel, etc. replaced with bio-briquettes in all 3 manufacturing plants. All 3 manufacturing plants in Paonta Sahib are having solar energy panels to minimise the GHG emissions. Sikkim Manufacturing plant is in process of establishing the solar energy generating panels.

Air emissions are treated using scrubbers and dust collectors, bag filters, cyclone separators, and wet scrubbers, and then released in the atmosphere after bringing down the emission composition within required limits.

Ambient air monitoring is carried out to check the efficacy of the pollution mitigation measures.

**8. Provide details related to waste management by the Company, in the following format:**

Parameter	FY2023	FY2022
<b>Total Waste generated (in Kg)</b>		
Plastic waste (A)	4,26,294	2,52,573
E-waste (B)	671.02	873
Bio-medical waste (C)	26224.3	26959
Construction and demolition waste (D)	-	-
Battery waste (E)	12488	7582
Radioactive waste (F)	-	-
Other Hazardous Waste. Please specify, if any. (G)	2,83,216	282416.5
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	16,52,201	1456429
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>24,01,094</b>	<b>20,26,832</b>

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

Category of waste	FY2023	FY2022
(i) Recycled-spent oil	3.93	3.81
(ii) Re-used	-	-
(iii) Other recovery operations (N.A)	N.A.	N.A.
<b>Total</b>	<b>3.93</b>	<b>3.81</b>

**For each category of waste generated, total waste disposed of through disposal method (in kg )**

Category of waste	FY2023	FY2022
(i) Incineration (kg)	28400.36	25308
(ii) landfilling (kg)	78817.32	47424.5
(iii) Other disposal operations (kg)	176886	208969
<b>Total (kg)</b>	<b>284103.68</b>	<b>281701.5</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.

No

**9. Briefly describe the waste management practices adopted in your establishment. 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.**

At each of the Company's locations, it has waste management systems in place. Plastic waste was collected by the Company and sent to a third party for recycling. In addition to collaborating with regional businesses for collection and recycling, the Company has tied up with a waste management agency. The Company is also looking into new technologies to cut down on the use of plastic in its current processes. Each Manufacturing Plant has established its own waste management system. Hazardous waste, Bio-medical Waste, E-waste etc are stored in dedicated areas, with impervious floorings to avoid soil contamination, as per the respective waste management rules. Each category of waste is labelled properly and stored. Form-3 is maintained by the generator and is acknowledged by the EHS Department as and when the waste is coming for its storage at the storage area.

All the hazardous waste is disposed at PCB authorized common treatment, storage, disposal facility (CTSD). Based on the fingerprint analysis of the waste, it is disposed either for landfilling or for incineration. One of our plants in Sikkim is disposing the hazardous waste for its co-processing 100% in the cement plant for energy recovery, as per the statutory permissions.

Biomedical Waste is sent for incineration at PCB approved incinerators from all the 3 Poanta Plants. At Sikkim Site, The Bio-Medical Waste is land filled (Deep Burial) within the premises as per the BMW rules, As the there is no incineration facility available in the state of Sikkim.

E-waste Waste is Sent for its recycling at an approved recyclers and Battery Waste is disposed to Authorized dealers/ Recyclers.

Some of our Formulated products have substituted hazardous solvents with aqueous based while making the products, resulting usage of less quantities of hazardous chemicals in the process, which also helps to avoid safety & Environmental incidents

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

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

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

None

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

Yes, all 4 manufacturing plants of the Company are fully compliant to the applicable EHS rules and regulations

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
None				

#### Leadership Indicators -

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

Parameter	FY2023	FY2022
<b>From renewable sources</b>		
Total electricity consumption (A)	1810 GJ	2170 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C) – Agro based Briquettes	1,38,395 GJ	1,42,294 GJ
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>1,40,205 GJ</b>	<b>1,44,464 GJ</b>
<b>From non-renewable sources</b>		

Parameter	FY2023	FY2022
<b>Total electricity consumption (D)</b>	<b>1,47,432 GJ</b>	<b>1,42,345 GJ</b>
Total fuel consumption (E)	90,914 GJ	109,193 GJ
Energy consumption through other sources (F)		
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>2,38,346 GJ</b>	<b>2,51,539 GJ</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.

No

2. Provide the following details related to water discharged:

Parameter	FY2023	FY2022
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
i) To Surface water	None	None
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	None	None
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	None	None
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	None	None
- No treatment	-	-
- With treatment – please specify level of treatment	None	None
(v) Others	None	None
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kiloliters)</b>	<b>None</b>	<b>None</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.

No, however regulatory agencies like State Pollution Control Board and Central Pollution Control Board visit manufacturing sites and there is no financial penalty imposed, as there are zero non-conformities. Certificate agency like SGS conducts yearly inspections as a part of ISO surveillance audit and there is no non-conformity found during their inspections.

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

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

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

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



Parameter	FY2023	FY2022
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>	-	-
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	-	-
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY2023	FY2022
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	The details of Scope-3 emission are not available with the company, However, Company has initiated mapping for scope-3 emission of both Upstream & Downstream.	
<b>Total Scope 3 emissions per rupee of turnover</b>			
<b>Total Scope 3 emission intensity (optional)</b> – the relevant metric may be selected by the entity			

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

No

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

Not Applicable

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

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Incorporating a sustainable organisational culture	Invested in employee development and recognition by developing over 200 problem-solving experts in Lean Six Sigma methodology and conducting training of 6420 man hours	Resulted in 6.1% increase in STN@ PTS + Direct Sale and 0.13% increase in yield percentage. Additionally, 615 MT reduction in CO2 emissions and approximately 27 crore INR savings. Also National awards for manufacturing competitiveness, environmental health and safety, and green manufacturing.

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

The Company's Disaster Management system covers both natural disasters such as earthquakes and floods as well as man-made disasters such as bomb attacks, among others with key mitigation measures in place. The authority to implement mitigation measures lies with the Site Controller, Incident Controller, Central Utility In Charge, and Shift Engineer in a structured manner. In case of a bomb threat, control measures as per the on-site Emergency Plan will be initiated by the Site Controller. The Company's Information Technology (IT) team has implemented a Disaster Recovery capability that helps the organisation regain use of critical systems and IT infrastructure instantly in emergency situations and minimise the impact on the business.

Through aspect impact assessment, which is part of the Company's EHS Management Systems, it identifies and evaluates the actual or potential aspects of its activities, services, and facilities that may have an impact on the environment and climate change, whether adverse or beneficial. During the evaluation process, significant impacts on the environment are determined, which in turn address climate change impacts as well. The Company is constantly monitoring existing and proposed regulations, including those pertaining to climate change and other issues, such as, emission trading schemes, energy efficiency requirements, reporting requirements, climate-related taxes, etc. Based on this, the businesses are informed of new developments and possible risks.

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

The Company strongly emphasises all vendors adhering to socially responsible standards such as contract labour, non-discrimination, equal rights, working hours, and environmental factors.

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

There were no significant adverse impact incidents happened to the environment, arising from the supply chain, during the reporting periods. However, we have the below mitigation plans in place.

Additionally, the Company assesses and chooses vendors who use reliable, environmentally friendly procedures, ethical manufacturing methods, and sustainable production techniques to help suppliers improve their performance on these measures, the company emphasises the E&S parts of the supply chain.

**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 has five affiliations with trade and industry chambers/associations as mentioned in the table below.

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

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	Indian Pharmaceutical Alliance	National
3	Indian Drug Manufacturers Association	National
4	QCFI (Quality Circle forum of India)	National
5	Confederation of Indian Industries	National

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

Not Applicable

Name of the authority	Brief of the case	Corrective action taken
N.A		

**Leadership Indicators**

1. Details of public policy positions advocated by the Company:

The Company proactively engage with the industry chambers/associations and encourages them to adopt best practices while developing any policy. The Company engages with the authorities ethically and transparently and believes in developing frameworks and procedures for the betterment of society.

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
None					

**Principle 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

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

In the reporting year, the Company did not undertake any Social Impact Assessment.

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
None					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

R&R is not applicable.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
None						

3. Describe the mechanisms to receive and redress grievances of the community.

The Code of Conduct of the Company provides mechanism to raise concerns against misconduct. The Code of Conduct is available on the website of the Company which provides mechanism for redressal of grievances.

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

The Company sources raw materials for its manufacturing plants from local suppliers. For the Sikkim unit 9.37 % is sourced from local vendor and for Unit 1/2/3 19.41 % is sourced from local supplier.

	FY2023	FY 2022
Directly sourced from MSMEs/small producers	-	-
Sourced directly from within the district and neighbouring districts	15.84	15.8

**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):

In the reporting year, the Company did not undertake any Social Impact Assessment.

Details of negative social impact identified	Corrective action taken
N.A	

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

In the reporting year, the Company did not undertake any CSR projects in the designated aspirational districts.

S. No.	State	Aspirational District	Amount spent (In INR)
N.A			



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

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

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

The Company provide equal opportunities for all vendors and suppliers. The Company encourages and try to procure more of its raw materials locally. The company is impartial in its procurement and selection of its suppliers, which is driven by the supplier code of conduct. The company doesn't consider the criteria and selection of Vulnerable/ Marginalized group during selection of suppliers. During the company procured some quantity of material from MSME suppliers.

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:

The Company derives no direct benefit from intellectual property because it has not licenced any intellectual property to third parties as of now. To avoid immediate competition, the Company has intellectual property that protects its product from being copied.

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
				None

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

Not Applicable

Name of authority	Brief of the Case	Corrective action taken
		N.A

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Policemen Martyr Programme (Covid 19)	103	The Company's CSR initiatives are undertaken with a view to provide aid to vulnerable and marginalised sections of the society, who were excluded from social, economic and educational opportunities.
2	Support towards healthcare activities through Tata Memorial Hospital and other charitable organizations	306	
3	Support to JC Juneja Foundation Hospital	39,908	
4	Support to migrant workers through Nadaan Parindey Foundation	1,865	
5	Promotion of Education through various foundations and charitable organizations	43*	
6	Livelihood Enhancement and employment enhancement programmes through various foundations and charitable organizations	1,060	

\*In some cases the funds have been utilized for construction of building and acquisition of fixed assets therefore the exact details of beneficiaries cannot be derived

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

**Essential indicators**

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

The Company has a comprehensive Product Quality Management System to facilitate timely resolution of consumer complaints received in terms of product quality. Complaints can be received in any form i.e., written, electronic or oral communication reported by customers, hospitals, regulatory agencies, government laboratories, retailers, distributors, etc., that alleges deficiencies related to the identity, quality, reliability, safety and/or efficacy of a product after it is distributed beyond the control area of Mankind quality systems.

Complaints can be raised by complainant via various methods such as telephone calls received on Mankind's toll-free no., emails at mailbox ([contact@mankindpharma.com](mailto:contact@mankindpharma.com)), fax, any postal mails received at Mankind's offices etc.

The Company has a policy in place meeting all the health authority guidelines for addressing complaints in a timely manner to satisfy the complainant and adhere to the compliance requirements, as well as to implement adequate preventive measures to prevent future occurrences.

Also, the Company has an established global pharmacovigilance policy, which is supported by a Product Safety committee. The pharmacovigilance policy highlights the Company's commitment and efforts towards patient safety.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	10%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%*

\*100% of the company product carry information about its responsible and safe usage. Due to the criticality associated with the safe & responsible consumption of the medicines, the company labelled the relevant information on the product label as per the requirement of the national & International drug regulatory bodies.

3. Number of consumer complaints in respect of the following:

	FY2023			FY2022		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Advertising		None			None	
Cyber- security		None			None	
Delivery of essential services		None			None	
Data Privacy		None			None	
Restrictive Trade Practices		None			None	
Unfair Trade Practices		None			None	

	FY2023			FY2022		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Other-Quality related complaints	3	0	The complaints include packaging defects along with complaints caused due to improper storage and handling of products	1	0	The complaint include packaging defect caused due to inappropriate inspection.

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

	Number	Reasons for recall
Voluntary recalls	4	Products were recalled to ensure our compliance to the quality standards and patient safety
Forced recalls	None	

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

Yes.

<https://www.mankindpharma.com/privacy-policy>

**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.**

Any IT related issue has not been reported yet. Throughout the year, only quality-related complaints were received. All necessary steps were also taken to avoid similar incidents from occurring again.

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

Each product has a label that informs consumers about its composition, contents, recommended storage conditions, date of manufacture, and expiration date. It also tells them how to use the product safely.

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

As the Company is in the pharmaceutical business, there are numerous generic pharmaceutical companies that provide similar products. Hence, the discontinuation of any product does not impact the community at large.

**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 whole? (Yes/ No)**

In India, the labelling of drugs is meticulously regulated by the Drugs and Cosmetics Act, which mandates the inclusion of vital information on product labels. This information encompasses the product name, manufacturer and marketer details, active ingredients,

and more. Mankind diligently complies with all applicable laws and regulations. It is an industry-wide practice in the Indian pharmaceutical sector to adhere strictly to the required information on product labels as per local laws. Ethical, legal, and compliance considerations guide this approach, ensuring transparency and accountability. However, in cases where a product possesses a specific scientific attribute, such as being a DMF grade API, we may appropriately highlight this attribute on the label, while strictly adhering to the provisions of applicable laws and regulations.

Furthermore, a 'Pack Insert' is an indispensable document containing comprehensive information regarding therapeutic indications and pharmaceutical details. This document serves as a valuable resource for healthcare professionals and patients, equipping them with essential information about the safe and effective use of the drug. By providing pertinent details, the Pack Insert empowers users to make well-informed decisions concerning the administration of the drug, thereby prioritizing patient safety. No, consumer satisfaction survey was carried out.

**5. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches, along with impact**

Any such type of incident has not been reported yet.

**b. Percentage of data breaches involving personally identifiable information of customers**

Not applicable.

**Leadership Indicators**

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

The information regarding the product and services can be accessed on the Company's website.

LINK - <https://www.mankindpharma.com/company/our-brand>



## Independent Auditor's Report

To the Members of Mankind Pharma Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Mankind Pharma Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of 8 partnership firms, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 audit opinion on the standalone financial statements.

#### Emphasis of Matter: Income tax search

We draw attention to Note 59 of the standalone financial statements relating to a search under Section 132 of the Income Tax Act, 1961 conducted by the Income Tax Department on the Company's registered office, corporate

office, few of its manufacturing locations and other premises and few of its group entities and residence of few of its employees/key managerial personnel.

Our opinion is not modified in respect of this matter.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone 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 standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

#### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



# Financial Statements

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we

are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of 8 partnership firms to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the partnership firms which have been audited by us. For the partnership firms included in the standalone financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

### Other Matter

- a) The comparative financial statement of the Company for the year ended March 31, 2022, included in these standalone financial statements, were not jointly audited by us and have been jointly audited by one of the current joint auditors of the Company i.e S.R. Batliboi & Co. LLP with predecessor joint auditor i.e Goel Gaurav & Co. who expressed an unmodified opinion on those financial statement on August 01, 2022.
- b) The standalone financial statements include the Company's share of net profit of INR 424.17 lacs for the year ended March 31, 2023 in respect of 3 partnership firms. The financial statements and other financial information of the said partnership firms have been audited by their respective auditors, whose financial statements, other financial information and

auditor's reports have been furnished to us by the management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these partnership firms and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid partnership firms, is based solely on the reports of such other auditors. Our opinion is not modified in respect of this matter

- c) The standalone financial statements include the Company's share of net profit of INR 564.69 lacs for the year ended March 31, 2023 in respect of 5 partnership firms which have not been jointly audited by us and have been audited by one of the joint auditors of the Company.

The financial statements and other financial information of the said partnership firms have been audited by their respective auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these partnership firms and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid partnership firms, is based solely on the reports of such other auditors. Our opinion is not modified in respect of this matter

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the

Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) The matter described in Emphasis of Matter - Income tax search paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36A to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief,, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities



identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any

guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- d) No dividend has been declared or paid during the year by the Company.
- v. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

**For S.R. Batliboi & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
301003E/E300005

**For Bhagi Bhardwaj Gaur & Co**  
Chartered Accountants  
ICAI Firm Registration Number:  
007895N

**per Vishal Sharma**  
Partner  
Membership Number: 096766  
UDIN: 23096766BGYHUK4905

**per Mohit Gupta**  
Partner  
Membership Number: 528337  
UDIN: 23528337BGUNXD7504

Place of Signature: New Delhi  
Date: May 30, 2023

Place of Signature: New Delhi  
Date: May 30, 2023

## Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

### Re: Mankind Pharma Limited ('the Company')

**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 state that:**

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a)(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (i) (b) All Property, Plant and Equipment have not been physically verified by the management during the year however, there is a planned programme of verification once in three years which in our opinion, is reasonable having regard to the size of the Company and nature

of its assets. No material discrepancies were noticed on such verification.

- (i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company. Certain title deeds of the immovable Properties, in the nature of freehold land and buildings, as indicated below, were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) Order dated March 21, 2023, and are not individually held in the name of the Company, however the deed of merger has been filed with the registrar of companies on March 30, 2023

Description of Property	Gross carrying value (INR in lacs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Land at 84 okhla industrial estate phase -3 New Delhi	2,263.29	Lifestar Pharma Private Limited	No	March 30, 2023	Refer note 3 to the financial statement
Building at 84 okhla industrial estate phase-3, New Delhi	790.50	Lifestar Pharma Private Limited	No	March 30, 2023	Refer note 3 to the financial statement

- (i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or investment properties or intangible assets during the year ended March 31, 2023.
- (i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties and goods in transit. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification by the management is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2023. Discrepancies of 10% or more in aggregate for each

class of inventory were not noticed on such physical verification and in respect of such confirmations. Goods in transit have been received subsequent to the year ended March 31, 2023.

- (ii) (b) As disclosed in note 20 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are not in agreement with the unaudited books of account of the Company on account of timing difference in reporting to the banks and routine book closure process of the Company and the details of which are as follows:

(INR in lacs)				
Class of Assets	Quarter ending	Value as per books of account (A)	Value as per quarterly return/statement (B)	Discrepancy (A-B)
Trade Receivables	December 31, 2022	64,269.26	64,422.18	(152.92)
Inventories	December 31, 2022	98,524.98	98,191.94	333.04
Revenue	June 30, 2022	2,03,665.47	2,04,172.49	(507.02)
Revenue	December 31, 2022	6,06,128.93	6,06,398.52	(269.59)
Trade Payables	December 31, 2022	78,571.82	86,592.74	(8,020.92)

The Company does not have sanctioned working capital limits in excess of INR five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year, the Company has provided loans to its wholly owned subsidiary company and employees and stood corporate guarantee to banks on behalf of its subsidiaries as follows:

Particulars	Guarantees INR in lacs	Loans INR in lacs
<b>Aggregate amount granted/ provided during the year</b>		
- Subsidiaries	7,850.00	3,500.00
- Others (Loan to employees)	-	189.50
<b>Balance outstanding as at balance sheet date in respect of above cases</b>		
- Subsidiaries	7,850.00	-
- Others (Loan to employees)	-	118.94

Apart from above, during the year, the Company has not provided loans, advances in the nature of loans, stood guarantee and has not provided security to companies, firms, Limited Liability Partnerships, any other parties and hence not commented upon.

(iii)(b) During the year, the investments made, corporate guarantees provided to the banks on behalf of subsidiaries and loans given to its wholly owned subsidiary company and employees, the terms and conditions under which investments were made, corporate guarantees were provided, and loans given to wholly owned subsidiaries and employees were not prejudicial to the Company's interest. The Company has not provided any security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year and hence not commented upon.

(iii)(c) In respect of a loan granted to Companies, the schedule of repayment of principal and payment of interest has been stipulated, except for loans granted to five of its subsidiaries where schedule for repayment of principal has not been prescribed (as such loans are repayable on demand). Hence, we are unable to make a specific comment on the regularity of repayment of principle. In respect of loan granted to its employees, the loans are interest free, and schedule of repayment are stipulated, and receipts are regular.

(iii)(d) There are no amounts of loans granted to the companies and loans granted to employees, which were overdue for more than ninety days.

(iii)(e) The Company had granted loans to companies which had fallen due during the year. The Company had renewed the same during the year to the respective parties.

The aggregate amount of such dues extended and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year are as follows:

Name of Parties	Aggregate amount of loans or advances in the nature of loans granted during the year (INR in lacs)	Aggregate overdue amount settled by extension to same parties (INR in lacs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Pavi Buildwell Private Limited	6,688.31	6,688.31	281%
Broadway Hospitality Private Limited	3,162.11	3,162.11	

(iii)(f) As disclosed in note 17 to the financial statements the Company has granted loans which are repayable on demand as stated below to related parties (i.e. subsidiary companies) as defined in clause (76) of section 2 of the Companies Act, 2013.

Particulars	INR in lacs
<b>Aggregate amount of loans</b>	9,700.90
- Repayable on demand	
Percentage of loans to the total loans	98.64%

(iv) Loans, investment and guarantees in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable have been complied with by the Company. The Company has not provided any security and hence not commented upon.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) 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 under section 148(1) of the Companies Act, 2013, related to the manufacture of drugs and pharmaceutical products and related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of provident fund which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

#### Statement of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the Statute	Nature of the Dues	Amount (INR in lacs)	Period to which the amount relates	Due Date	Date of Payment
The Employees Provident Funds and Miscellaneous provision Act, 1952	Payment of Statutory Provident Fund	108.27	March 2019	April 2019	Not yet paid
The Employees Provident Funds and Miscellaneous provision Act, 1952	Payment of Statutory Provident Fund	4.45	April 2020 to March 21	May 2020 to April 2021	Not yet paid
The Employees Provident Funds and Miscellaneous provision Act, 1952	Payment of Statutory Provident Fund	6.69	April 2021 to March 22	May 2021 to April 2022	Not yet paid
The Employees Provident Funds and Miscellaneous provision Act, 1952	Payment of Statutory Provident Fund	55.99	April 2022 to August 22	May 2022 to September 2022	Not yet paid

There are no undisputed dues in respect of goods and services tax, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:



Name of Statute	Nature of dues	Amount (INR in lacs)	Amount paid under protest (INR in lacs)	Period to which amount relates (Financial year)	Forum where dispute is pending
Income tax Act, 1961	Disallowances and additions to taxable income.	545.43	315.18	2011-12 and 2012-13	Commissioner of Income tax (appeals)
Income tax Act, 1961	Disallowances and additions to taxable income.	572.15	432.87	2016-17	Commissioner of Income tax (appeals)
Income tax Act, 1961	Disallowances and additions to taxable income.	2,344.86	-	2017-18	Income tax appellate tribunal
Income tax Act, 1961	Disallowances and additions to taxable income.	94.88	-	2019-20	Assessing officer, Delhi
CGST Act, 2017	GST demand on various matters	9.56	-	2017-18	Superintendent CGST, Telangana

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (ix) (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer
- (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(b) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its director and hence requirement to report on clause 3(xv) of the order is not applicable to the Company.

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.

(xvi)(d) The Group does not have more than one CIC as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

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

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

**For S.R. Batliboi & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
301003E/E300005

**per Vishal Sharma**  
Partner  
Membership Number: 096766  
UDIN: 23096766BGYHUK4905

Place of Signature: New Delhi  
Date: May 30, 2023

(xix) On the basis of the financial ratios disclosed in note 53 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 ('the Act'), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 47 to the financial statements.

(xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 47 to the standalone financial statements.

**For Bhagi Bhardwaj Gaur & Co**  
Chartered Accountants  
ICAI Firm Registration Number:  
007895N

**per Mohit Gupta**  
Partner  
Membership Number: 528337  
UDIN: 23528337BGUNXD7504

Place of Signature: New Delhi  
Date: May 30, 2023

## ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MANKIND PHARMA LIMITED

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

We have audited the internal financial controls with reference to standalone financial statements of Mankind Pharma Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

### Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

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

### Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements,

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

**For S.R. Batliboi & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
301003E/E300005

**per Vishal Sharma**  
Partner  
Membership Number: 096766  
UDIN: 23096766BGYHUK4905

Place of Signature: New Delhi  
Date: May 30, 2023

### Opinion

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

**For Bhagi Bhardwaj Gaur & Co**  
Chartered Accountants  
ICAI Firm Registration Number:  
007895N

**per Mohit Gupta**  
Partner  
Membership Number: 528337  
UDIN: 23528337BGUNXD7504

Place of Signature: New Delhi  
Date: May 30, 2023



# Standalone Balance Sheet

as at March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Notes	As at	
		March 31, 2023	March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,38,407.71	1,05,918.29
Capital work-in-progress	3	43,783.06	35,528.49
Investment properties	4	532.39	537.86
Goodwill	5	656.09	656.09
Other intangible assets	5	1,69,452.17	1,84,222.82
Intangible assets under development	5	5,695.36	3,128.05
Right-of-use assets	6	5,173.22	1,333.20
<b>Financial assets</b>			
(i) Investments	7	2,04,076.44	1,65,707.60
(ii) Other financial assets	9	3,382.59	1,167.12
Income tax assets (net)	10	9,541.78	7,271.68
Other non-current assets	11	4,720.52	6,827.85
<b>Total non-current assets</b>		<b>5,85,421.33</b>	<b>5,12,299.05</b>
<b>Current assets</b>			
Inventories	12	1,03,221.52	1,26,668.55
<b>Financial assets</b>			
(i) Investments	8	1,06,146.60	86,879.17
(ii) Trade receivables	14	49,264.15	47,058.85
(iii) Cash and cash equivalents	15	13,413.33	9,673.88
(iv) Bank balances other than (iii) above	16	2,101.92	4,210.97
(v) Loans	17	9,834.34	14,578.35
(vi) Other financial assets	9	5,526.02	1,277.73
Other current assets	11	61,864.15	90,953.46
		<b>3,51,372.03</b>	<b>3,81,300.96</b>
Assets classified as held for sale	13	318.78	270.20
<b>Total current assets</b>		<b>3,51,690.81</b>	<b>3,81,571.16</b>
<b>Total assets</b>		<b>9,37,112.14</b>	<b>8,93,870.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	4,005.88	4,005.88
Other equity	19	7,74,385.22	6,50,039.40
<b>Total equity</b>		<b>7,78,391.10</b>	<b>6,54,045.28</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	21	322.61	244.04
Provisions	22	8,887.13	7,379.42
Deferred tax liabilities (net)	23	5,585.43	3,552.15
Other non-current liabilities	24	2,017.25	1,522.55
<b>Total non-current liabilities</b>		<b>16,812.42</b>	<b>12,698.16</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	20	-	68,366.19
(ii) Lease liabilities	21	146.46	179.15
(iii) Trade payables	25		
(a) total outstanding dues of micro and small enterprises; and		2,591.93	4,278.13
(b) total outstanding dues of creditors other than micro and small enterprises		77,604.54	87,850.63
(iv) Other financial liabilities	26	17,962.93	18,868.38
Provisions	22	29,459.01	25,601.04
Current tax liabilities (net)	10	4,302.14	1,073.38
Other current liabilities	24	9,841.61	20,909.87
<b>Total current liabilities</b>		<b>1,41,908.62</b>	<b>2,27,126.77</b>
<b>Total liabilities</b>		<b>1,58,721.04</b>	<b>2,39,824.93</b>
<b>Total equity and liabilities</b>		<b>9,37,112.14</b>	<b>8,93,870.21</b>

The above standalone balance sheet should be read in conjunction with accompanying notes.

As per our report of even date

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
Firm Reg. No. 301003E/E300005

per Vishal Sharma  
Partner  
Membership No. 096766

For Bhagi Bhardwaj Gaur & Co.  
Chartered Accountants  
Firm Reg. No. 007895N

per Mohit Gupta  
Partner  
Membership No. 528337

Place: New Delhi  
Date: May 30, 2023

For and on behalf of the Board of Directors of  
Mankind Pharma Limited

Ramesh Juneja  
Chairman and  
Whole Time Director  
DIN - 00283399

Place: New Delhi  
Date: May 30, 2023

Pradeep Chugh  
Company Secretary  
Membership No. ACS 18711

Place: New Delhi  
Date: May 30, 2023

Sheetal Arora  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

Place: New Delhi  
Date: May 30, 2023

Ashutosh Dhawan  
Chief Financial Officer

Place: New Delhi  
Date: May 30, 2023

# Standalone Statement of Profit and Loss

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Notes	Year ended	
		March 31, 2023	March 31, 2022
<b>I Income</b>			
Revenue from operations	27	8,12,715.32	7,48,622.19
Other income	28	16,278.29	20,381.44
<b>Total income (I)</b>		<b>8,28,993.61</b>	<b>7,69,003.63</b>
<b>II Expenses</b>			
Cost of raw materials and components consumed	29	71,104.83	77,258.81
Purchases of stock-in-trade		1,86,582.32	2,11,411.92
Changes in inventories of finished goods, work in progress and stock in trade	30	26,788.68	(36,526.97)
Employee benefits expense	31	1,70,137.85	1,46,276.05
Finance costs	32	2,774.81	4,712.13
Depreciation and amortization expense	33	26,957.96	12,332.66
Other expenses	34	1,88,363.50	1,66,395.31
<b>Total expenses (II)</b>		<b>6,72,709.95</b>	<b>5,81,859.91</b>
<b>III Profit before tax (I-II)</b>		<b>1,56,283.66</b>	<b>1,87,143.72</b>
<b>IV Tax expense:</b>			
Current tax	35	29,163.58	42,903.38
Deferred tax	35	2,294.28	5,297.90
<b>Total tax expense (IV)</b>		<b>31,457.86</b>	<b>48,201.28</b>
<b>V Profit for the year (III- IV)</b>		<b>1,24,825.80</b>	<b>1,38,942.44</b>
<b>VI Other comprehensive income / (loss):</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
a. (i) Remeasurement gain / (loss) of the defined benefit plan		(783.20)	(143.90)
(ii) Income tax relating to above item		273.69	48.08
b. (i) Change in the fair value of equity investments at FVTOCI		36.31	25.25
(ii) Income tax relating to above item		(12.69)	(8.82)
<b>Total other comprehensive income / (loss) for the year (VI)</b>		<b>(485.89)</b>	<b>(79.39)</b>
<b>VII Total comprehensive income for the year (V+VI)</b>		<b>1,24,339.91</b>	<b>1,38,863.05</b>
<b>VIII Earnings per equity share of face value of INR 1 each</b>	46		
Basic EPS (in INR)		31.16	34.68
Diluted EPS (in INR)		31.16	34.68

The above standalone statement of profit and loss should be read in conjunction with accompanying notes.

As per our report of even date

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
Firm Reg. no. 301003E/E300005

per Vishal Sharma  
Partner  
Membership No. 096766

For Bhagi Bhardwaj Gaur & Co.  
Chartered Accountants  
Firm Reg. no. 007895N

per Mohit Gupta  
Partner  
Membership No. 528337

Place: New Delhi  
Date: May 30, 2023

For and on behalf of the Board of Directors of  
Mankind Pharma Limited

Ramesh Juneja  
Chairman and  
Whole Time Director  
DIN - 00283399

Place: New Delhi  
Date: May 30, 2023

Pradeep Chugh  
Company Secretary  
Membership No. ACS 18711

Place: New Delhi  
Date: May 30, 2023

Sheetal Arora  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

Place: New Delhi  
Date: May 30, 2023

Ashutosh Dhawan  
Chief Financial Officer

Place: New Delhi  
Date: May 30, 2023

# Standalone Statement of Changes in Equity

for the year ended March 31, 2023  
All amounts are in INR lacs unless otherwise stated

## a. Equity share capital

Particulars	Note	No. in lacs	Amount
Equity shares of INR 1 each issued, subscribed and fully paid			
<b>As at April 1, 2021</b>		4,005.88	4,005.88
Changes in equity share capital during the year		-	-
<b>As at March 31, 2022</b>	18	4,005.88	4,005.88
Changes in equity share capital during the year		-	-
<b>As at March 31, 2023</b>	18	4,005.88	4,005.88

## b. Other equity

Year ended March 31, 2023

Particulars	Other equity					Total
	Capital reserve	General reserve <sup>#</sup>	Securities premium	Retained earnings <sup>#</sup>	Employee stock option reserve	
<b>Balance as at April 1, 2022</b>	(41,559.70)	24,896.93	4,211.74	6,62,490.43	-	6,50,039.40
Profit for the year	-	-	-	1,24,825.80	-	1,24,825.80
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	(485.89)	-	(485.89)
<b>Total comprehensive income for the year</b>	-	-	-	1,24,339.91	-	1,24,339.91
Share based payments expense (refer note 55)					5.91	5.91
<b>Balance as at March 31, 2023</b>	(41,559.70)	24,896.93	4,211.74	7,86,830.34	5.91	7,74,385.22

# Standalone Statement of Changes in Equity

for the year ended March 31, 2023  
All amounts are in INR lacs unless otherwise stated

Year ended March 31, 2022

Particulars	Other equity					Total
	Capital reserve	General reserve <sup>#</sup>	Securities premium	Retained earnings <sup>#</sup>	Employee stock option reserve	
<b>Balance as at April 1, 2021</b>	(41,559.70)	24,896.93	4,211.74	5,23,627.38	-	5,11,176.35
Profit for the year	-	-	-	1,38,942.44	-	1,38,942.44
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	(79.39)	-	(79.39)
<b>Total comprehensive income for the year</b>	-	-	-	1,38,863.05	-	1,38,863.05
<b>Balance as at March 31, 2022</b>	(41,559.70)	24,896.93	4,211.74	6,62,490.43	-	6,50,039.40

# Refer note 49

The above standalone statement of changes in equity should be read in conjunction with accompanying notes.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants  
Firm Reg. No. 301003E/E300005

per Vishal Sharma  
Partner  
Membership No. 096766

For Bhagi Bhardwaj Gaur & Co.  
Chartered Accountants  
Firm Reg. No. 007895N

For and on behalf of the Board of Directors of  
Mankind Pharma Limited

Ramesh Juneja  
Chairman and  
Whole Time Director  
DIN - 00283399

Pradeep Chugh  
Company Secretary  
Membership No. ACS 18711  
Place: New Delhi  
Date: May 30, 2023

Sheetal Arora  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

Ashutosh Dhawan  
Chief Financial Officer  
Place: New Delhi  
Date: May 30, 2023



## Standalone Statement of Cash Flows

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,56,283.66</b>	<b>1,87,143.72</b>
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	26,957.96	12,332.66
Unrealised foreign exchange (gain) / loss (net)	258.79	(432.47)
(Gain)/Loss on disposal of property, plant and equipment	(171.61)	345.47
Assets written off	470.77	576.29
Impairment allowance for non-current assets	4,550.00	2,208.00
Government grant income	(3,618.26)	(3,766.44)
Interest income	(1,621.99)	(2,504.96)
Interest expense and other finance costs	2,438.21	797.43
Interest on delay deposit of indirect taxes	-	278.27
Interest on delay deposit of income tax	301.54	940.01
Unrealised gain on current investments measured at FVTPL	(3,333.91)	(3,954.73)
Realised gain on current investments measured at FVTPL	(162.19)	(4,750.74)
Dividend income from investment measured at FVTPL	(0.05)	(0.04)
Liabilities written back	(247.30)	(150.65)
Reversal of impairment allowance of financial assets	(3,100.00)	(1,751.30)
Reversal of impairment allowance of non current assets	-	(800.00)
Employee stock compensation expense	5.91	-
Trade and other receivable balances written off	421.75	412.98
Allowance for expected credit loss	353.35	472.43
Allowance for doubtful loans and advances	151.20	243.09
Share in (profit)/ loss of partnership firms (net)	(988.86)	(954.70)
Interest on lease liabilities	35.06	43.59
<b>Working capital adjustments:</b>		
(Increase)/ Decrease in trade receivables	(3,230.62)	(12,910.96)
(Increase)/ Decrease in inventories	23,447.03	(41,214.35)
(Increase)/ Decrease in other financial assets	(6,463.76)	(611.09)
(Increase)/ Decrease in other assets	29,023.87	(60,234.38)
Increase/ (Decrease) in provisions	4,582.48	3,429.43
Increase/ (Decrease) in trade payable	(11,940.86)	33,574.62
Increase/ (Decrease) in other financial liabilities	958.30	2,184.95
Increase/ (Decrease) in other liabilities	(6,955.30)	17,220.43
<b>Cash generated from operations</b>	<b>2,08,405.17</b>	<b>1,28,166.56</b>
Income tax paid (net)	(28,506.46)	(46,022.09)
<b>Net cash inflow from Operating activities</b>	<b>1,79,898.71</b>	<b>82,144.47</b>
<b>B. Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment	506.40	50.89
Purchase of property, plant and equipment	(54,836.29)	(30,134.66)
Purchase of intangible assets	(3,641.61)	(1,88,041.09)
Proceeds from sale of investment properties	-	2.45
Proceeds from sale of investment in mutual funds	71,224.27	1,67,415.43
Purchase of investment in mutual funds	(86,995.60)	(1,15,806.83)
Purchase of investment in financial instruments	(34,885.97)	(26,408.97)
Purchase of investment measured at FVTOCI	(2,007.70)	-
Dividend received	0.05	0.04
Repayment of loan to related parties	7,528.95	13,028.28
Loan to related parties	(3,500.00)	-
Loan to other parties	(32.71)	(26.18)

## Standalone Statement of Cash Flows

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Bank withdrawal / (deposit) not considered as cash and cash equivalents (net)	2,109.05	42,760.74
Interest received	469.76	1,133.29
<b>Net cash outflow from investing activities</b>	<b>(1,04,061.40)</b>	<b>(1,36,026.61)</b>
<b>C. Cash flow from financing activities</b>		
Interest paid	(2,563.37)	(672.27)
Proceeds from current borrowings	58,758.97	1,03,969.16
Repayment of current borrowings	(1,27,000.00)	(45,228.13)
Payment of principal portion of lease liabilities	(201.84)	(162.20)
Payment of interest on lease liabilities	(35.06)	(43.59)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(71,041.30)</b>	<b>57,862.97</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>4,796.01</b>	<b>3,980.83</b>
Cash and cash equivalents at the beginning of the year	8,617.32	4,636.49
<b>Cash and cash equivalents at the end of the year</b>	<b>13,413.33</b>	<b>8,617.32</b>
<b>Components of cash and cash equivalents for the purpose of statement of cash flows:</b>		
Balances with banks (refer note 15)		
- On current account	13,400.94	9,664.83
Cash on hand (refer note 15)	12.39	9.05
<b>Total cash and cash equivalents</b>	<b>13,413.33</b>	<b>9,673.88</b>
Book overdraft (refer note 26)	-	(1,056.56)
	<b>13,413.33</b>	<b>8,617.32</b>

The above cash flow statement has been prepared under Indirect method as set out in Ind AS-7 "Statement of cash flows".

The above standalone statement of cash flow should be read in conjunction with accompanying notes.

As per our report of even date

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
Firm Reg. no. 301003E/E300005

**For and on behalf of the Board of Directors of  
Mankind Pharma Limited**

**per Vishal Sharma**  
Partner  
Membership No. 096766

**Ramesh Juneja**  
Chairman and  
Whole Time Director  
DIN - 00283399

**Sheetal Arora**  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

**For Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
Firm Reg. no. 007895N

Place: New Delhi  
Date: May 30, 2023

Place: New Delhi  
Date: May 30, 2023

**per Mohit Gupta**  
Partner  
Membership No. 528337  
Place: New Delhi  
Date: May 30, 2023

**Pradeep Chugh**  
Company Secretary  
Membership No. ACS 18711  
Place: New Delhi  
Date: May 30, 2023

**Ashutosh Dhawan**  
Chief Financial Officer  
Place: New Delhi  
Date: May 30, 2023

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 1 CORPORATE INFORMATION

Mankind Pharma Limited ("Mankind" or "the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India, has its registered office at 208, Okhla Industrial Estate Phase-III, New Delhi 110020, Delhi, India. The Company has completed its Initial Public Offer (IPO) and accordingly the Company's equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on May 09, 2023.

The Company is principally engaged in the manufacturing and trading of pharmaceuticals and health care products. The Company has three manufacturing facilities at Paonta Sahib in the state of Himachal Pradesh, one manufacturing facility in state of Sikkim, three in-house research and development centres at IMT Manesar, Gurgaon, Haryana and one in-house research and development centre at Thane, Maharashtra to carry out research in pharmaceutical products. These standalone financial statements were approved for issue in accordance with a resolution of the directors on May 30, 2023.

### 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years.

#### 2.01 Basis of preparation of Standalone Financial Statements

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as amended. These standalone financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- i) Certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments)

- ii) Assets held for sale-measured at fair value less cost to sell
- iii) Defined benefit plans-plan assets measured at fair value

#### 2.02 Investment in Subsidiaries, associates and joint venture

The investment in subsidiaries, associates and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Company considers investment in an entity as an associate when, the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Company considers investment in an entity as a joint venture whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

Investments are accounted in accordance with Ind AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### 2.03 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realised within twelve months after the reporting period, or

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### 2.04 Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional

currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

##### (iii) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

#### 2.05 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value,



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1-** Quoted(unadjusted) market prices in active markets for identical assets or liabilities

**Level 2-** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3-** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole ) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.06 Revenue from contracts with customers

The Company sells, manufactured and traded range of pharmaceutical and healthcare products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products are shipped to specific location and control has been transferred to the customers. The Company has objective evidence that all criterion for acceptance has been satisfied.

#### (a) Sale of products

Revenue from contracts with customers in respect of sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

The Company considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the Company allocates a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:-

#### (i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The rights of return and volume rebates give rise to variable consideration.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### (ii) Sales Return

Sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. With respect to new products introduced by the Company, such products have historically been either extensions of an existing line of product where the Company has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company's competitors.

### (iii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

### (iv) Schemes

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, reimbursement, investments etc. Revenue from contracts with customers is presented deducting cost of all these schemes.

### (b) Sale of services

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of this services is satisfied over a period of time and acceptance of the customer. In respect of

these services, payment is generally due upon completion of services.

### (c) Contract balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Company's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or an amount of consideration is due (whichever is earlier) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

### (d) Other Operating Revenues

#### (i) Royalty Income

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

#### (ii) Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight - line basis over the lease terms and is included in other income in the statement of profit or loss due to its non-operating nature.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### (iii) Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

### (iv) Export benefit

Revenue from export benefits arising from duty drawback scheme, merchandise export incentive scheme, Remission of duties and taxes on exported product scheme are recognized on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

### 2.07 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### 2.08 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income

based on the applicable income tax rate by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

#### b) Deferred tax

Deferred income tax is provided using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and unused tax losses can be utilised, except

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

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.

Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### c) Minimum alternate tax (MAT):

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

#### d) Accounting policy when the entities operate under tax holiday scheme:

In the situations where one or more entities in the Company are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 2.09 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense. Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the assets is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

The Company treats sale of the asset to be highly probable when:

- i) The appropriate level of management is committed to a plan to sell the asset
- ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)
- iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

### 2.10 Property, plant and equipment

Property, Plant and equipment are stated at cost, less accumulated depreciation and accumulated

impairment losses, if any. Freehold land is carried at historical cost net off accumulated impairment. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

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

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

using the useful lives of the assets estimated by management. The useful life is as follows:

Assets	Useful life (in years)
Building	30 and 60
Plant and Equipment	10 - 15
Furniture and Fittings	10
Vehicles	8 and 10
Office Equipment	5
Mobile Phones	2
Mobile tablets	1
Computers	3
Servers and Networks	6

The useful lives have been determined based on technical evaluation done by the management's expert. In certain assets such as plant and machineries, mobile phones and mobile tablets, useful lives are lower than those specified by schedule II to the Companies Act 2013 and are depreciated over the estimated useful lives of 10 years, 2 years and 1 year respectively, in order to reflect the actual usage of asset. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Lease hold improvements are depreciated on straight line basis over shorter of the asset's useful life and their initial agreement period.

### 2.11 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified

as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalized to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. When significant parts of investment property are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. All other repair and maintenance cost are expensed when incurred.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model as per Ind AS 113 "Fair value measurement".

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Investment properties are depreciated using straight line method over their estimated useful life i.e. 30 years.

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

### 2.12 Intangible assets

#### Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate

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consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income. After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually or earlier, when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

### Other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. The Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption

of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life as under:

Assets	Useful life (in years)
Trademarks & copyrights	2-15
Patents	6
Technical know-how	5-7
Non-compete fee	5

### Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability to use or sale the asset;
- How the asset will generate future economic benefits;
- The availability of adequate resources to complete the development and to use or sale the asset; and

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- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

### 2.13 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

### 2.14 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any

remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of respective leases ranging from 33-99 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



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### (iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 2.15 Inventories

#### a) Basis of valuation:

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

#### b) Method of Valuation:

- i) Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

- ii) Cost of finished goods and work-in-progress includes direct material and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing cost. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

- iii) Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

- iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### 2.16 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs

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to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### 2.17 Provisions and Contingent Liabilities

#### Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### Sales Return

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

#### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### 2.18 Retirement and other employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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### (ii) Other long-term employee benefit obligations

#### a) Gratuity

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed four years and two forty days or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. The Gratuity Plan, which is defined benefit plan, is managed by Mankind Pharma (P) Limited Employees Group Gratuity Trust ("the trust") with its investments maintained with Life insurance Corporation of India. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- b) Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

#### b) Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

#### c) Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date on the basis of actuarial valuation using projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

### (iii) Share Based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is

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made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the standalone statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. For cancelled options, the payment

made to the employee shall be accounted for as a deduction from equity, except to the extent that the payment exceeds the fair value of the equity instruments of the Company, measured at the cancellation date. Any such excess from the fair value of equity instrument shall be recognised as an expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 2.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (i) Financial Assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.



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The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

### Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

### Financial assets at amortised cost (debt instruments)

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

- a) **Business Model Test** : The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;
- b) **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly

discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

### Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) **Business Model Test** : The objective of financial instrument is achieved by both collecting contractual cash flows and selling the financial assets; and
- b) **Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

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### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

### Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

### Derecognition

A financial asset (or ,where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an

obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

- (a) the Company has transferred substantially all the risks and rewards of the asset, or
- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

the Company has accounted for its investment in subsidiaries and associate and joint venture at cost.

### Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses( ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company follows “simplified approach” for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of Ind AS 116-Leases

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head ‘other expenses’ in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

**(a) Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

**(b) Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.

**(c) Debt instruments measured at FVTOCI:** For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

### (ii) Financial liabilities:

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings, trade payables, trade deposits, financial guarantees and other payables.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- (i) Financial liabilities at fair value through profit or loss
- (ii) Financial liabilities at amortised cost (loans and borrowings)

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivatives financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivative are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

## Notes to the standalone financial statements

for the year ended March 31, 2023

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Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

#### Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

#### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance

determined as per impairment requirements of Ind AS 109 and the amount recognized less, when appropriate, the cumulative amount of income recognized in accordance with with the principles of Ind AS 115.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### Reclassification of financial assets/ financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



## Notes to the standalone financial statements

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### 2.20 Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. For the purpose of hedge accounting, hedges are classified as:

- (i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- (ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- (iii) Hedges of a net investment in a foreign operation

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

#### Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried

at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

#### Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

### 2.21 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash

## Notes to the standalone financial statements

for the year ended March 31, 2023

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and subject to an insignificant risk of changes in value. For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### 2.22 Dividend

The Company recognizes a liability to pay dividend to equity holders of the Company, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### 2.23 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### 2.24 New and amended standards adopted by the Company

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2022. The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

#### 1 Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company

cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. These amendments has no impact on the Company.

#### 2 Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). These amendments has no impact on the Company.

## Notes to the standalone financial statements

for the year ended March 31, 2023

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### 3 Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments has no impact on the Company.

### 4 Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it is not a first-time adopter.

### 5 Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment

(the date of initial application). These amendments has no impact on the Company.

### 6 Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments has no impact on the Company as it did not have assets in scope of IAS 41 as at the reporting date.

#### New amendments issued but not effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

#### (i) Definition of Accounting Estimates - Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments are not expected to have a material impact on the Company's financial statements.

#### ii) Disclosure of Accounting Policies- Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in

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for the year ended March 31, 2023

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Ind AS 107. The Company is currently assessing the impact of the amendments.

### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023. The Company is currently assessing the impact of the amendments.

#### 2.25 Segment reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

- 1 Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue.
- 2 Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- 3 Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

4 Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.

5 Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

6 Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

#### 2.26 Significant accounting judgments, estimates and assumptions

The preparation of the standalone financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

#### (i) Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

#### a) Leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term



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if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

### (ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### a) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

#### b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting

date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 38.

#### c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### d) Impairment of financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are estimated based on past trend and discounted to their present value using a

## Notes to the standalone financial statements

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pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

#### f) Provision for sales return

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

#### g) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's

historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 14.

#### h) Property, Plant and Equipment

Property, Plant and Equipment represent significant portion of the asset base of the Company charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

# Notes to the standalone financial statements

for the year ended March 31, 2023

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## 3 Property, plant and equipment

Particulars	Freehold land	Leasehold improvements	Buildings	Plant and machinery	Furniture and fittings	Vehicles	Office equipments	Computers	Total	Capital Work in Progress
Gross carrying value:										
Balance as at April 01, 2021	17,998.87	598.44	34,418.24	53,365.85	5,606.94	2,659.15	2,588.58	2,133.24	1,19,369.31	16,550.66
Additions	-	43.68	293.41	12,583.38	709.53	713.97	2,837.15	472.08	17,653.20	30,913.70
Disposals/adjustments	-	-	(1.52)	(693.27)	(1.62)	(114.89)	(12.26)	(2.13)	(825.69)	(11,359.58)
Assets written off	-	-	-	-	-	-	-	-	-	(576.29)
<b>Balance as at March 31, 2022</b>	<b>17,998.87</b>	<b>642.12</b>	<b>34,710.13</b>	<b>65,255.96</b>	<b>6,314.85</b>	<b>3,258.23</b>	<b>5,413.47</b>	<b>2,603.19</b>	<b>1,36,196.82</b>	<b>35,528.49</b>
Additions	6,696.15	159.63	14,263.96	13,931.04	2,049.69	3,004.69	1,801.82	1,819.30	43,726.28	39,203.34
Classified as held for sale (refer note 13)	(48.58)	-	-	-	-	-	-	-	(48.58)	-
Disposals/adjustments	(77.45)	-	-	(127.76)	-	(277.45)	(33.09)	(1.98)	(517.73)	(30,478.00)
Assets written off	-	-	-	-	-	-	-	-	-	(470.77)
<b>Balance as at March 31, 2023</b>	<b>24,568.99</b>	<b>801.75</b>	<b>48,974.09</b>	<b>79,059.24</b>	<b>8,364.54</b>	<b>5,985.47</b>	<b>7,182.20</b>	<b>4,420.51</b>	<b>1,79,356.79</b>	<b>43,783.06</b>
Accumulated depreciation:										
<b>Balance as at April 01, 2021</b>	-	<b>276.51</b>	<b>3,208.05</b>	<b>11,905.37</b>	<b>2,582.11</b>	<b>789.53</b>	<b>1,271.50</b>	<b>1,057.43</b>	<b>21,090.50</b>	-
Depreciation charge (refer note 33)	-	203.04	983.64	4,295.45	512.52	385.82	2,826.32	410.57	9,617.36	-
Disposals/adjustments	-	-	(0.70)	(329.23)	(1.04)	(86.40)	(9.93)	(2.03)	(429.33)	-
<b>Balance as at March 31, 2022</b>	-	<b>479.55</b>	<b>4,190.99</b>	<b>15,871.59</b>	<b>3,093.59</b>	<b>1,088.95</b>	<b>4,087.89</b>	<b>1,465.97</b>	<b>30,278.53</b>	-
Depreciation charge (refer note 33)	-	173.55	1,379.74	5,975.26	628.39	437.49	1,501.03	758.03	10,853.49	-
Disposals/adjustments	-	-	-	(48.89)	-	(116.72)	(15.45)	(1.88)	(182.94)	-
<b>Balance as at March 31, 2023</b>	-	<b>653.10</b>	<b>5,570.73</b>	<b>21,797.96</b>	<b>3,721.98</b>	<b>1,409.72</b>	<b>5,573.47</b>	<b>2,222.12</b>	<b>40,949.08</b>	-
Net carrying value:										
<b>Balance as at March 31, 2022</b>	<b>17,998.87</b>	<b>162.57</b>	<b>30,519.14</b>	<b>49,384.37</b>	<b>3,221.26</b>	<b>2,169.28</b>	<b>1,325.58</b>	<b>1,137.22</b>	<b>1,05,918.29</b>	<b>35,528.49</b>
<b>Balance as at March 31, 2023</b>	<b>24,568.99</b>	<b>148.65</b>	<b>43,403.36</b>	<b>57,261.28</b>	<b>4,642.56</b>	<b>4,575.75</b>	<b>1,608.73</b>	<b>2,198.39</b>	<b>1,38,407.71</b>	<b>43,783.06</b>

# Notes to the standalone financial statements

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## 3.1 Capital work-in-progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
As at March 31, 2023				
Projects in progress	32,304.26	9,020.38	2,127.50	43,783.06
<b>Total</b>	<b>32,304.26</b>	<b>9,020.38</b>	<b>2,127.50</b>	<b>43,783.06</b>
As at March 31, 2022				
Projects in progress	23,526.57	4,954.03	2,478.50	35,528.49
<b>Total</b>	<b>23,526.57</b>	<b>4,954.03</b>	<b>2,478.50</b>	<b>35,528.49</b>

Note :

- During the year ended March 31, 2023 additions to plant and equipment includes INR 434.34 lacs (March 31, 2022 : INR 375.96 lacs) on account of government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on import of plant and machinery. Closing balance of Capital work-in-progress as at March 31, 2023 include INR 1,678.45 lacs (as at March 31, 2022 : INR 1,388.27 lacs) for this benefit.
- Capital work-in progress as at March 31, 2023 includes assets under construction at various plants, head office and production lines which are pending installation based on their approved plans. There are no projects which have either exceeds their budget or whose timelines have been deferred.
- Disclosure of contractual commitments for the acquisition of property, plant and equipment has been provided in note 36.
- The Company undisputedly possesses the title deeds for all immovable properties held by the Company, presented under 'Freehold land' and 'Buildings' in the above schedule, except below:

Description of Property	Gross carrying value as at March 31, 2023	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Land at 84, Okhla Industrial Estate, Phase- 3, New Delhi	2,263.29	Lifestar Pharma Private Limited	No	March 30, 2023	Title deeds of these immovable properties, in the nature of freehold land & buildings, as indicated in the above mentioned cases which were acquired pursuant to a scheme of amalgamation approved by National Company Law Tribunal's (NCLT) Order dated March 21, 2023, are not individually held in the name of the Company, however the deed of merger has been filed with the Registrar of Companies on March 30, 2023.
Building at 84, Okhla Industrial Estate, Phase-3, New Delhi	790.50	Lifestar Pharma Private Limited	No	March 30, 2023	



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 4 Investment properties

Particulars	Freehold land	Building	Total
<b>Gross carrying value :</b>			
<b>Balance as at April 01, 2021</b>	<b>378.66</b>	<b>172.79</b>	<b>551.45</b>
Additions	-	-	-
Disposals	-	(2.55)	(2.55)
<b>Balance as at March 31, 2022</b>	<b>378.66</b>	<b>170.24</b>	<b>548.90</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2023</b>	<b>378.66</b>	<b>170.24</b>	<b>548.90</b>
<b>Accumulated depreciation :</b>			
<b>Balance as at April 01, 2021</b>	<b>-</b>	<b>5.67</b>	<b>5.67</b>
Depreciation charge (refer note 33)	-	5.47	5.47
Disposals	-	(0.10)	(0.10)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>11.04</b>	<b>11.04</b>
Depreciation charge (refer note 33)	-	5.47	5.47
Disposals	-	-	-
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>16.51</b>	<b>16.51</b>
<b>Net carrying value :</b>			
<b>Balance as at March 31, 2022</b>	<b>378.66</b>	<b>159.20</b>	<b>537.86</b>
<b>Balance as at March 31, 2023</b>	<b>378.66</b>	<b>153.73</b>	<b>532.39</b>

Information regarding income & expenditure of investment property

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge	(5.47)	(5.47)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of investment property	548.39	553.32

#### Note :

Investment property represents, land and building at Distt - Tehri Garhwal. The said premise is held for capital appreciation.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### Fair Value Hierarchy

The above fair valuation are based on valuations performed by an accredited independent valuer, who is specialised in valuing such type of investment property.

The Company has no restrictions on the realisability of its investment property and no contractual obligation to purchase, construct or develop or for repair & maintenance.

### Description of Valuation Technique used:

The Company obtains independent valuations of its investment properties as at the year end. The fair value of the investment properties have been derived using the Direct Comparison Method. The direct comparison method involves a comparison of the investment properties to similar properties that have actually been sold on arms-length basis or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment properties; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment properties.

These valuations are based on valuations performed by an accredited independent valuer who is a specialist in valuing these types of investment properties and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment property are included in level 3.

### Sensitivity analysis of the investment property fair value assumptions

Further the Company has performed sensitivity analysis on the assumptions used by the valuer and ensured that the valuation of investment property is appropriate.

The Company undisputedly possesses the title deeds for all properties held by the Company, presented under 'freehold land and Buildings' in the above schedule.

## 5 Intangible assets

Particulars	Computer softwares	Trademark & Copyrights	Technical know-how	Non-compete fees	Patents	Total	Goodwill	Intangible assets under development
Gross carrying value:								
Balance as at April 01, 2021	2,447.28	2,676.77	-	-	-	5,124.05	656.09	5.88
Additions (refer note (b) below)	111.92	1,58,282.00	14,025.00	5,500.00	7,000.00	1,84,918.92	-	3,122.17
Disposals	(0.23)	-	-	-	-	(0.23)	-	-
Balance as at March 31, 2022	2,558.97	1,60,958.77	14,025.00	5,500.00	7,000.00	1,90,042.74	656.09	3,128.05
Additions (refer note (b) below)	1,074.30	-	-	-	-	1,074.30	-	3,558.66
Disposals	-	-	-	-	-	-	-	(991.35)
Balance as at March 31, 2023	3,633.27	1,60,958.77	14,025.00	5,500.00	7,000.00	1,91,117.04	656.09	5,695.36
Accumulated amortisation:								
Balance as at April 01, 2021	1,444.49	1,878.38	-	-	-	3,322.87	-	-
Amortisation charge (refer note 33)	473.95	1,639.31	203.93	87.40	92.69	2,497.28	-	-
Disposals	(0.23)	-	-	-	-	(0.23)	-	-
Balance as at March 31, 2022	1,918.21	3,517.69	203.93	87.40	92.69	5,819.92	-	-
Amortisation charge (refer note 33)	478.21	10,554.71	2,545.36	1,100.00	1,166.67	15,844.95	-	-
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	2,396.42	14,072.40	2,749.29	1,187.40	1,259.36	21,664.87	-	-
Net carrying value:								
Balance as at March 31, 2022	640.76	1,57,441.08	13,821.07	5,412.60	6,907.31	1,84,222.82	656.09	3,128.05
Balance as at March 31, 2023	1,236.85	1,46,886.37	11,275.71	4,312.60	5,740.64	1,69,452.17	656.09	5,695.36

### Note:

- a Trademark and copyrights includes a rights available with the Company to market licensed medicines in designated territories as per underlying arrangements with respective customers. These are amortised as per the life technically assessed by the management having life of 2 to 15 years.
- b During the previous year, the Company had acquired pharmaceutical formulation brands including their related trademarks and copyrights and other Intellectual Property Rights from Panacea Biotech Pharma Limited and Panacea Biotech Limited relating to their operations in India and Nepal vide an asset purchase agreement dated February 28, 2022 on arm length price aggregating to INR 1,80,765.00 lacs as detailed below and has assessed estimated useful lives of these intangible assets based on independent technical evaluation and ensured the transaction is appropriately accounted in accordance with Ind AS 38 - Intangible Assets.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Intangible Assets	Amount inclusive of stamp duty	Estimated useful life as assessed by management
(i) Trademark & copyrights	1,54,265.00	15 years
(ii) Non-compete fees	5,500.00	5 years
(iii) Technical know-how	14,000.00	5-7 years
(iv) Patents	7,000.00	6 years
<b>Total</b>	<b>1,80,765.00</b>	

- c Intangible assets under development as at March 31, 2023 and March 31, 2022 and includes softwares being developed internally.
- d The Company has performed annual impairment test for Goodwill and impairment test of other intangible assets with indicators of impairment for year ended March 31, 2023 and March 31, 2022. The Company has allocated goodwill and other intangible assets wherever indicators exist their respective Cash Generating Unit i.e. Pharmaceutical and healthcare products and performed impairment test to ascertain the recoverable amount. The Company considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. The recoverable amount for pharmaceutical CGU is determined based on value in use calculation. These calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by management covering a 5 to 7 years period. Cash flow projection beyond 5 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates.

Assumption relating to pharma CGU	March 31, 2023	March 31, 2022	Approach used in determining value
Weighted average Cost of capital % (WACC) before tax (discount rate)	13.00-15.37%	12.50-15.00%	It has been determined basis risk free rate of return adjusted for equity risk premium.
Long Term Growth Rate	4%	4%	Long term growth rate has been taken basis financial budgets and projections approved by management which is in line with industry growth rate.

### 5.1 Intangible asset under development Ageing

#### As at March 31, 2023

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,200.33	2,495.03	-	-	5,695.36
<b>Total</b>	<b>3,200.33</b>	<b>2,495.03</b>	<b>-</b>	<b>-</b>	<b>5,695.36</b>

#### As at March 31, 2022

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,122.17	-	-	5.88	3,128.05
<b>Total</b>	<b>3,122.17</b>	<b>-</b>	<b>-</b>	<b>5.88</b>	<b>3,128.05</b>

### Note :

- There are no projects as Intangible assets under development as at March 31, 2023 and March 31, 2022, whose completion is overdue or cost of which has exceeded in comparison to its original plan.
- Intangible assets under development as at March 31, 2023 and March 31, 2022 includes softwares being developed internally.



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 6 Right-of-use assets

- a) This note provide information for leases where the Company is a lessee. The Company leases various offices, warehouse and has taken Land on long term lease from government authorities ranging from 66 to 99 years. The leases for offices and warehouses are typically for 5 to 6 years with mutually exercisable extension option at the end of term.

Particulars	Land	Buildings	Total
<b>Gross carrying value:</b>			
<b>Balance as at April 01, 2021</b>	<b>991.10</b>	<b>794.87</b>	<b>1,785.97</b>
Additions	-	-	-
Disposals/adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>991.10</b>	<b>794.87</b>	<b>1,785.97</b>
Additions	3,833.22	260.85	4,094.07
Disposals/adjustments	-	-	-
<b>Balance as at March 31, 2023</b>	<b>4,824.32</b>	<b>1,055.72</b>	<b>5,880.04</b>
<b>Accumulated depreciation:</b>			
<b>Balance as at April 01, 2021</b>	<b>25.96</b>	<b>214.26</b>	<b>240.22</b>
Depreciation charge (refer note 33)	12.94	199.61	212.55
Disposals/adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>38.90</b>	<b>413.87</b>	<b>452.77</b>
Depreciation charge (refer note 33)	49.83	204.22	254.05
Disposals/adjustments	-	-	-
<b>Balance as at March 31, 2023</b>	<b>88.73</b>	<b>618.09</b>	<b>706.82</b>
<b>Net carrying value</b>			
<b>Balance as at March 31, 2022</b>	<b>952.20</b>	<b>381.00</b>	<b>1,333.20</b>
<b>Balance as at March 31, 2023</b>	<b>4,735.59</b>	<b>437.63</b>	<b>5,173.22</b>

- b) The following is the carrying value of lease liability and movement thereof during the year ended March 31, 2023:

Particulars	Amount
<b>Balance as at April 01, 2021</b>	<b>585.39</b>
Finance cost accrued during the year (refer note 32)	43.59
Payment of lease liabilities (interest and principal)	(205.79)
<b>Balance as at March 31, 2022</b>	<b>423.19</b>
Additions during the year	247.72
Finance cost accrued during the year (refer note 32)	35.06
Payment of lease liabilities (interest and principal)	(236.90)
<b>Balance as at March 31, 2023</b>	<b>469.07</b>

Particulars	As at March 31, 2023	As at March 31, 2022
Current Lease liability (refer note 21)	146.46	179.15
Non-Current Lease Liability (refer note 21)	322.61	244.04
	<b>469.07</b>	<b>423.19</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- c) The maturity analysis of lease liabilities are as follows:

Maturity of lease liabilities

Set out below are the undiscounted potential future rental payments relating to periods:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Lease obligations</b>		
Not later than one year	180.23	206.78
Later than one year and not later than five years	348.74	278.19
Later than five years	-	-

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Interest expense</b>		
Not later than one year	33.77	27.63
Later than one year and not later than five years	26.13	34.15
Later than five years	-	-

- d) The weighted average incremental borrowing rate applied to lease liabilities 8.5% p.a.

- e) Rental expense recorded for short-term leases are as follows:

The following are the amounts recognised in profit or loss:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation expense of right-of-use assets (refer note 33)	254.05	212.55
Interest expense on lease liabilities (refer note 32)	35.06	43.59
Expense relating to short-term leases (refer note 34)	1,954.14	2,161.06
	<b>2,243.25</b>	<b>2,417.20</b>

- f) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- g) The Company has applied a single discount rate to a portfolio of leases of a similar assets in similar economic environment with similar end date.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 7 Non-current Investments

Particulars	Face Value per share	As at March 31, 2023			As at March 31, 2022		
		Units/ shares	Amount	Amount	Units/ shares	Amount	Amount
<b>(a) Investment in unquoted equity instruments - at cost, fully paid up</b>							
<b>Subsidiaries</b>							
Shree Jee Laboratory Private Limited	INR 10	14,04,98,730		14,541.05	14,04,98,730	14,541.05	
Lifestar Pharma LLC (see note a below)	USD 1	90,000		18,445.27	90,000	13,550.47	
Mankind Pharma Pte Limited	SGD 1	41,000		19.78	41,000	19.78	
Medipack Innovations Private Limited	INR 100	3,06,000		306.00	3,06,000	306.00	
Broadway Hospitality Services Private Limited	INR 10	50,000		551.38	50,000	551.38	
Pavi Buildwell Private Limited	INR 100	2,01,000		201.00	2,01,000	201.00	
Prolijune Lifesciences Private Limited	INR 10	1,00,000		17.53	1,00,000	17.53	
Jaspack Industries Private Limited	INR 10	90,10,000		901.00	90,10,000	901.00	
Mahananda Spa and Resorts Private Limited	INR 10	2,16,56,000	4,747.11		2,16,56,000	4,747.11	
Less : Provision for the impairment in the value of Investment			(2,076.60)	2,670.51		(2,076.60)	
Appian Properties Private Limited	INR 10	1,00,00,000		1,000.00	1,00,00,000	1,000.00	
Relax Pharmaceuticals Private Limited	INR 100	18,900	11,321.10		18,900	11,321.10	
Less : Provision for the impairment in the value of Investment			(5,000.00)	6,321.10		(5,000.00)	
Copmed Pharmaceuticals Private Limited	INR 100	60,480	19,247.16		60,480	19,247.16	
Less : Provision for the impairment in the value of Investment			(1,000.00)	18,247.16		(1,000.00)	
Mediforce Healthcare Private Limited	INR 10	7,18,000	5,779.90		7,18,000	5,779.90	
Less : Provision for the impairment in the value of Investment			(1,550.00)	4,229.90		-	
JPR Labs Private Limited (see note b below)	INR 10	1,74,73,939		5,962.65	82,75,999	962.65	
Mankind Prime Labs Private Limited	INR 10	1,000		0.10	1,000	0.10	
Lifestar Pharmaceuticals Private Limited	NPR 100	32,15,000		2,009.38	16,00,000	1,000.00	
Mankind Life Sciences Private Limited	INR 10	85,10,000		851.00	15,10,000	151.00	
Mankind Consumer Healthcare Private Limited	INR 10	90,00,000		900.00	90,00,000	900.00	
Mankind Pharma FZ LLC	AED 1000	24,600		5,017.79	24,600	5,017.79	
Mankind Agritech Private Limited	INR 10	40,00,000		400.00	-	-	
<b>(b) Investment in unquoted equity instruments - at cost, fully paid up</b>							
<b>Associates</b>							
ANM Pharma Private Limited	INR 10	7,85,606		78.56	7,85,606	78.56	

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Face Value per share	As at March 31, 2023			As at March 31, 2022		
		Units/ shares	Amount	Amount	Units/ shares	Amount	Amount
Sirmour Remedies Private Limited	INR 100	40,000	4,383.20		40,000	4,383.20	
Less : Provision for the impairment in the value of Investment			(2,500.00)	1,883.20		(2,500.00)	
<b>(c) Investment in preference shares (unquoted) - at cost</b>							
<b>Subsidiaries</b>							
Jaspack Industries Private Limited, 0.10% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "c" below)	INR 10	14,70,10,000		14,701.00	14,70,10,000	14,701.00	
Mahananda Resorts & Spa Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "d" below)	INR 10	38,48,36,135		38,591.35	28,48,36,135	28,591.35	
Prolijune Life Sciences Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "e" below)	INR 10	3,91,457		1,864.94	3,91,457	1,864.94	
JPR Labs Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "f" below)	INR 10	1,22,18,860	6,214.32		22,18,860	5,214.32	
Less : Provision for the impairment in the value of Investment			(4,708.00)	1,506.32		(2,208.00)	
Appian Properties Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "g" below)	INR 10	20,77,40,700	20,774.07		20,77,40,700	20,774.07	
Less : Provision for the impairment in the value of Investment			(7,050.00)	13,724.07		(6,550.00)	
Mankind Prime Labs Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "h" below)	INR 10	7,44,99,000		7,449.90	4,14,99,000	4,149.90	
Mankind Life Sciences Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "i" below)	INR 10	12,50,00,000		12,500.00	5,00,00,000	5,000.00	
Mankind Agritech Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "j" below)	INR 10	3,05,00,000		3,050.00	-	-	
Mankind Consumer Healthcare Private Limited, 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (see note "k" below)	INR 10	1,30,00,000		1,300.00	-	-	



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Face Value per share	As at March 31, 2023			As at March 31, 2022		
		Units/ shares	Amount	Amount	Units/ shares	Amount	Amount
<b>(d)</b> Investment in partnership firms (see note "m" below)							
<b>Subsidiaries</b>							
Mankind Specialities (partnership firm)			597.51			696.77	
Less : Provision for the impairment in the value of Investment			(201.70)	395.81		(201.70)	495.07
North East Pharma Pack (partnership firm)				616.13			416.55
<b>Joint Ventures</b>							
Superba Buildwell (partnership firm)				2,184.74			1,748.63
Superba Developers (partnership firm)				2,978.04			1,922.72
Superba Buildwell (South) (partnership firm)				2,624.74			2,720.76
<b>(e)</b> Investment in limited liability partnership firms (see note "n" below)							
<b>Subsidiaries</b>							
Penta Latex LLP				8,961.23			7,730.12
Superba Warehousing LLP				706.74			710.49
Appify Infotech LLP				297.56			300.00
<b>(f)</b> Investment in unquoted equity instruments measured at fair value through profit and loss (FVTPL), fully paid up							
<b>Other entities</b>							
Shivalik Solid Waste Management Limited	INR 10	2,500		0.25	2,500		0.25
<b>(g)</b> Investment in Limited Liability Partnership measured at fair value through other comprehensive income (FVTOCI), fully paid up							
ABCD Technologies LLP				4,061.56			4,025.25
<b>(h)</b> Investment in unquoted equity instruments measured at fair value through other comprehensive income (FVTOCI), fully paid up							
Actimed Therapeutics Limited	GBP 0.01	13,334		2,007.70			-
<b>Total</b>				<b>2,04,076.44</b>			<b>1,65,707.60</b>

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of unquoted investments	2,04,076.44	1,65,707.60
Aggregate amount of impairment in value of investment	24,086.30	19,536.30

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Notes:

- Capital contribution in Lifestar Pharma LLC has been contributed solely (i.e. 100%) by the Company. In terms of agreement, the non-controlling interest of 10% is restricted to profit sharing only subject to complete repayment of 100 % capital contribution made by Mankind Pharma Limited.
- During the year, the wholly owned subsidiary Company, JPR Labs Private Limited converted loan advanced amounting to INR 5,000 lacs to 91,97,940 equity shares of INR 10 each vide resolution of Board of Directors of the Company dated March 17, 2023 and resolution of Board of Directors of subsidiary Company dated March 18, 2023.
- The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares of INR 10 each carrying coupon of 0.10% per annum issued by its wholly owned subsidiary i.e. Jaspack Industries Private Limited ('Jaspack'). Such shares shall be optionally convertible to the equity shares at the option of the shareholders at the end of one year, unless decided by the Board of Directors of the Jaspack to convert at an early date from the date of allotment. At the time of conversion, every one (1) preference share of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Jaspack. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares will be upto March 27, 2035. The preference shares can be redeemed at face value of INR 10/- per share at any point of time.
- The Company had subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of INR 10 each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. Mahananda Spa and Resorts Private Limited ('Mahananda'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Mahananda, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of Mahananda on the date of redemption or Issue price of OCNRPS i.e. INR. 10/- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to September 30, 2038.
- The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of face value of INR 10/- with a premium of INR 466.41/- each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. Prolijune Life science Private Limited ('Prolijune'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Prolijune, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of Prolijune on the date of redemption or Issue price of OCNRPS i.e. INR 476.41 /- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to September 30, 2038.
- The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of face value of INR 10/- with a premium of INR 225/- each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. JPR Labs Private Limited ('JPR'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of JPR, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of JPR on the date of redemption or Issue price of OCNRPS i.e. INR 235 /- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to September 30, 2038.
- The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of face value of INR 10/- each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. Appian Properties Private Limited ('Appian'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Appian, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of Appian on the date of redemption or Issue price of OCNRPS i.e. INR 10 /- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to September 30, 2038.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- h The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of face value of INR 10/- each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. Mankind Prime Labs Private Limited ('Prime Labs'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Prime Labs, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of Prime Labs on the date of redemption or Issue price of OCNRPS i.e. INR 10 /- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to March 31, 2041.
- i The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of face value of INR 10/- each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. Mankind Life Sciences Private Limited ('Life Science'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Life Science, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of Life Science on the date of redemption or Issue price of OCNRPS i.e. INR 10 /- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to November 30, 2041.
- j The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of face value of INR 10/- each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. Mankind Agritech Private Limited ('Agritech'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Life Science, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of Life Science on the date of redemption or Issue price of OCNRPS i.e. INR 10 /- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to September 30, 2042.
- k The Company has subscribed to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNRPS) of face value of INR 10/- each carrying coupon of 0.01% per annum issued by its wholly owned subsidiary i.e. Mankind Consumer Healthcare Private Limited ('Consumer'). Such shares shall be optionally convertible to the equity shares either fully or partly at the option of the issuer Company at any time during the tenure of OCNRPS in one or more tranches. At the time of conversion, each one (1) OCNRPS of face value of INR 10/- each, will be entitled to one (1) equity share of face value of INR 10/- each of Life Science, or if OCNRPS is redeemed in cash, the redemption will be made at higher of the fair value of shares of Life Science on the date of redemption or Issue price of OCNRPS i.e. INR 10 /- for each OCNRPS. The tenure of Optionally Convertible Non-Cumulative Redeemable Preference Shares shall be up to January 30, 2042.
- l Investment in partnership firms are measured at cost, and are shown as net of contribution, drawings and share of profit/ loss for the respective year.
- m Following are the details of investments in partnership firms/ limited liability partnerships (LLPs) disclosing their capital and share of profit/ (loss) as at March 31, 2023 and March 31, 2022.

Partnership Firm	Partners	Capital	Share of profit	Capital	Share of profit
		March 31, 2023		March 31, 2022	
Mankind Specialities	Mankind Pharma Limited	429.27	98.00%	528.53	98.00%
	Nikunj Tyagi	(5.08)	2.00%	(3.06)	2.00%
		<b>424.19</b>	<b>100.00%</b>	<b>525.47</b>	<b>100.00%</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Partnership Firm	Partners	Capital	Share of profit	Capital	Share of profit
		March 31, 2023		March 31, 2022	
North East Pharma Pack	Mankind Pharma Limited	616.13	57.50%	416.55	57.50%
	JLD Builders and Developers Private Limited	22.70	12.50%	(20.69)	12.50%
	Gaurav Dewan	19.93	7.50%	(6.10)	7.50%
	Rahul Dewan	25.36	7.50%	(0.67)	7.50%
	Amit Gera	36.87	7.50%	10.84	7.50%
	Bodh Raj Sikri	36.87	7.50%	10.84	7.50%
		<b>757.86</b>	<b>100.00%</b>	<b>410.77</b>	<b>100.00%</b>
Superba Buildwell	Mankind Pharma Limited	2,012.48	60.00%	1,748.63	60.00%
	Neeraj Garg	334.30	10.00%	262.77	10.00%
	Rakesh Gupta	334.30	10.00%	261.77	10.00%
	Deepali Garg	334.30	10.00%	262.77	10.00%
	Rashi Singhal Agarwal	99.65	5.00%	63.89	5.00%
	Shagun Singhal Garg	79.65	5.00%	43.89	5.00%
		<b>3,194.68</b>	<b>100.00%</b>	<b>2,643.73</b>	<b>100.00%</b>
Superba Developers	Mankind Pharma Limited	2,790.61	70.00%	1,922.72	70.00%
	Chirag Garg	452.23	15.00%	275.85	15.00%
	Usha Gupta	452.23	15.00%	274.35	15.00%
		<b>3,695.07</b>	<b>100.00%</b>	<b>2,472.92</b>	<b>100.00%</b>
Superba Buildwell (South)	Ajai Agarwal	174.96	10.00%	188.54	10.00%
	Mankind Pharma Limited	2,624.74	70.00%	2,720.76	70.00%
	Parag Gupta	174.96	10.00%	188.54	10.00%
	Uma Gupta	174.96	10.00%	188.54	10.00%
		<b>3,149.62</b>	<b>100.00%</b>	<b>3,286.38</b>	<b>100.00%</b>

- n Investment in limited liability partnership firms are measured at cost, and are shown as net of contribution, drawings and share of profit/ loss for the respective year.

Limited liability partnership firms	Partners	Capital	Share of profit	Capital	Share of profit
		March 31, 2023		March 31, 2022	
Penta Latex LLP	Arun Kumar Vasishtha	806.53	16.00%	700.39	16.00%
	Dhruv Mehendiratta	806.53	16.00%	700.39	16.00%
	Mankind Pharma Limited	4,914.08	68.00%	3,682.97	68.00%
		<b>6,527.14</b>	<b>100.00%</b>	<b>5,083.75</b>	<b>100.00%</b>
Superba Warehousing LLP	Mankind Pharma Limited	706.74	51.00%	710.49	51.00%
	Sangkaj Logisys Private Limited	679.02	49.00%	682.63	49.00%
		<b>1,385.76</b>	<b>100.00%</b>	<b>1,393.12</b>	<b>100.00%</b>
Appify Infotech LLP	Mankind Pharma Limited	303.77	99.00%	300.00	99.00%
	Appian Properties Private Limited	0.03	1.00%	-	1.00%
		<b>303.80</b>	<b>100.00%</b>	<b>300.00</b>	<b>100.00%</b>



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### o Impairment of investments

The Company has performed a detailed analysis to identify indicators of impairment in respect of its investment portfolio considering internal and external factors in accordance with Ind-AS 36 - Impairment of assets. The Company has allocated investments wherever indicators exist to its respective Cash Generating Unit i.e. Pharmaceutical and healthcare products, Real estate and hospitality and performed impairment test to ascertain the recoverable amount. The recoverable amount is determined either based on value in use calculation or net selling price. In respect of pharmaceutical CGU and one of the investments in hospitality CGU, management calculates value in use using a discounted cash flow method. The discounted cash flow calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by respective entities management covering a 5 to 8 years period. Cash flow projection beyond 5 to 8 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates. In respect rest of real estate and hospitality CGU, the recoverable amount is calculated using the Direct Comparison Method. The fair value of investments has been determined by Government approved valuer. The direct comparison approach involves a comparison of the properties to similar properties that have actually been sold in arms-length distance from properties or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the properties; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for properties. The fair value has been determined by Government approved valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates are included in level 3. In respect of investment in real estate and hospitality, management has considered their fair value considering the Direct comparison method. Management has determined following assumptions for impairment testing of investments in pharmaceutical CGU as stated below.

Assumption relating to pharmaceutical CGU	March 31, 2023	March 31, 2022	Approach used in determining value
Weighted average Cost of capital % (WACC) before tax (discount rate)	12.50%-14.80%	11-18%	It has been determined basis risk free rate of return adjusted for equity risk premium
Long Term Growth Rate	4.00%	4%-5%	Long term growth rate has been taken basis financial budgets and projections approved by management which is in line with industry growth rate

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The calculations performed indicate that there is impairment of investments in some investments in real estate sector, hospitality sector and few pharma and pharma packing investments. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of Investments. Based on this analysis, management believes that adequate headroom is available and change in any of above assumption would not cause any material possible change in carrying value of unit's CGU over and above its recoverable amount, other than those already accounted.

### Sensitivity analysis of assumptions

The Company has performed sensitivity analysis on the key assumptions by +/- 2% for each of the assumptions used by the valuer and ensured that the valuation is appropriate and there is no further impairment.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 8 Current Investments

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (In Nos)	Amount (In lacs)	Units (In Nos)	Units (On Lien)	Amount (In lacs)
Investment in Mutual Investments (Quoted)					
Financial assets carried at fair value through profit or loss (FVTPL)					
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan	47,20,107.26	1,134.73	47,20,107.26	-	1,074.01
Aditya Birla Sun Life Banking & PSU Debt Fund - Growth-Direct Plan (formerly known as Aditya Birla Sun Life Treasury Optimum Plan)	2,93,104.75	933.80	2,93,104.75	-	892.00
Aditya Birla Sun Life Corporate Bond Fund -Growth-Direct Plan (formerly known as Aditya Birla Sun Life Short Term Fund)	31,01,536.68	2,965.23	31,01,536.68	10,68,195.00	2,828.77
Aditya Birla Sun Life Credit Risk Fund - Gr. DIRECT	16,10,500.46	301.70	16,10,500.46	-	278.30
Aditya Birla Sun Life Credit Risk Fund Gr. DIRECT (Segregated Portfolio - 1)	-	-	16,10,500.46	-	2.74
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan	3,01,437.49	903.07	3,01,437.49	-	854.72
Aditya Birla Sun Life Low Duration Fund - Growth-Regular Plan (formerly known as Aditya Birla Sun Life Cash Manager)	47,694.76	268.02	47,694.76	-	255.62
Aditya Birla Sun Life Short Term Fund - Growth-Regular Plan	-	-	7,22,037.30	7,22,037.00	276.44
Aditya Birla Sunlife - Savings Fund (Growth) Direct Plan	1,11,825.79	525.87	1,11,825.79	-	497.97
Axis Banking & PSU Debt Fund - Direct Growth	70,990.71	1,624.67	70,990.71	-	1,552.61
Axis Corporate Debt Fund - Direct Growth	1,67,16,251.75	2,502.81	1,67,16,251.75	-	2,383.74
Axis Dynamic Bond Fund - Direct Plan - Growth Plan	15,75,916.40	426.27	15,75,916.40	-	410.99
Axis Liquid Fund - Direct Growth	4,271.40	106.82	4,271.40	-	100.98
Axis Short Term Fund -Direct Growth - STDG	-	-	81,39,799.93	-	2,171.93
Axis Strategic Bond Fund - Regular Growth	31,37,802.89	731.88	31,37,802.89	-	700.20
Axis Strategic Bond Fund -Direct Growth - IFDG	23,86,221.95	602.56	23,86,221.95	23,86,221.00	572.52
Axis Ultra Short Term Fund Direct Growth	29,59,704.81	390.47	29,59,704.81	-	369.02
Axis CRISIL IBX SDL May 2027 Index Fund - Direct Growth	1,46,93,199.10	1,519.67	-	-	-
Edelweiss BHARAT Bond FOF -April 2023 - Direct Plan Growth - FFD1	2,45,04,999.02	2,994.58	2,45,04,999.02	-	2,861.23
Edelweiss BHARAT Bond FOF -April 2025 - Direct Plan Growth - O5D1	2,99,66,136.65	3,326.87	2,99,66,136.65	-	3,243.23
Edelweiss BHARAT Bond FOF -April 2025 - Regular Plan Growth - O5RG	4,00,12,706.57	4,442.25	4,00,12,706.57	-	4,330.57

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (In Nos)	Amount (In lacs)	Units (In Nos)	Units (On Lien)	Amount (In lacs)
DSP Banking and PSU Debt Fund - Dir - Growth	16,07,119.90	334.64	16,07,119.90	-	320.97
DSP Corporate Bond Fund - Dir - Growth	94,83,320.62	1,295.26	1,12,90,332.15	67,80,764.00	1,502.88
DSP Floater Fund - Dir-G	48,06,204.17	527.62	48,06,204.17	-	504.56
Edelweiss Arbitrage Fund - Direct Plan Growth	1,86,94,266.25	3,262.19	42,24,275.67	-	696.31
Franklin India Low Duration Fund Growth Direct Plan	26,21,330.63	9.68	35,12,585.67	-	12.20
HDFC Banking and PSU Debt Fund - Direct Growth Option	1,28,27,343.09	2,568.33	1,28,27,343.08	29,14,513.00	2,457.62
HDFC Corporate Bond Fund - Direct Plan - Growth Option (formerly HDFC Medium term Opportunities Fund, erstwhile HDFC Gilt Fund Short Term, HDFC Floating Rate Income Fund - Long Term Plan merged)	27,53,924.55	760.61	27,53,924.55	-	729.28
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	12,73,132.22	539.43	12,73,132.22	-	510.46
HDFC Short Term Debt Fund - Regular Plan - Growth	-	-	5,51,161.57	5,51,161.00	141.61
HDFC Ultra Short Term Fund - Direct Growth	1,91,70,770.05	2,512.50	1,91,70,770.05	-	2,379.63
HDFC Nifty G-Sec Dec 2026 Index Fund Direct Growth	2,91,37,204.32	3,000.58	-	-	-
HDFC Nifty G-Sec Jun 2027 Index Fund Direct Growth	1,95,74,813.83	2,000.13	-	-	-
ICICI Prudential - Savings Fund (G) Direct	1,82,276.90	843.20	1,82,276.90	-	797.85
ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth	63,88,728.41	1,820.51	63,88,728.41	35,97,485.00	1,719.86
ICICI Prudential Banking and PSU Debt Fund Regular Plan - Growth	11,87,039.43	326.99	11,87,039.43	-	310.23
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	52,96,277.05	1,378.50	1,45,33,026.26	-	3,573.12
ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth	44,75,911.18	1,385.40	44,75,911.18	-	1,311.02
ICICI Prudential Savings Fund - Growth (formerly ICICI Prudential Mutual Fund - Flexible Income Plan)	30,287.65	138.56	30,287.65	-	131.26
ICICI Prudential Short Term Fund - Direct Plan - Growth Option (formerly ICICI short term plan)	41,51,832.54	2,257.28	41,51,832.54	41,51,830.00	2,119.31
ICICI Prudential Short Term Fund - Growth Option	9,39,350.34	474.65	11,47,993.59	11,47,993.00	548.60
Bandhan Bond Fund Short Term (G) Direct (formerly known as IDFC - Bond Fund ST (G) Direct)	21,87,724.94	1,116.44	21,87,724.94	-	1,071.92
Bandhan Arbitrage Fund -Growth- Direct Plan (formerly known as IDFC Arbitrage Fund-Growth- (Direct Plan))	87,58,958.14	2,584.00	87,58,958.14	-	2,444.92
Bandhan Banking & PSU Debt Fund (G) Direct (formerly known as IDFC Banking & PSU Debt Fund-Direct Plan-Growth)	1,25,67,787.37	2,683.59	31,02,194.13	-	632.82

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (In Nos)	Amount (In lacs)	Units (In Nos)	Units (On Lien)	Amount (In lacs)
Bandhan Banking & PSU Debt Fund - Regular Plan - Growth (formerly known as IDFC Banking & PSU Debt Fund-Regular Plan-Growth)	12,33,000.01	263.28	12,33,000.01	-	251.52
Bandhan Corporate Bond Fund Direct Plan - Growth (formerly known as IDFC Corporate Bond Fund Direct Plan-Growth)	1,39,18,299.55	2,310.74	5,32,63,604.93	-	8,543.59
Bandhan Credit Risk Fund Direct Plan - Growth (formerly known as IDFC Credit Risk Fund-Direct Plan-Growth)	29,06,357.17	435.44	29,06,357.17	-	415.47
Bandhan Credit Risk Fund Regular Plan - Growth (IDFC Credit Risk Fund-Regular Plan -Growth)	34,23,699.96	483.18	34,23,699.96	-	465.38
Bandhan Low Duration Fund - Growth - Direct Plan (formerly known as IDFC Low Duration Fund-Growth-Direct Plan)	20,16,179.81	675.05	20,16,179.81	-	642.36
Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Growth (formerly known as IDFC CRISIL IBX Gilt June 2027 Index Fund Direct Growth)	4,57,93,643.64	5,000.89	-	-	-
Invesco - India Short Term Fund (G) Direct	25,352.29	834.93	25,352.29	-	802.52
Invesco India - Arbitrage fund (G) Direct	1,74,52,001.17	5,053.31	-	-	-
Kotak - Bond STP (G) Direct	35,46,829.49	1,692.67	64,88,229.66	-	2,964.85
Kotak - Equity Arbitrage Fund (Growth) Direct Plan	1,02,16,905.43	3,427.60	11,82,834.70	-	374.59
Kotak Banking and PSU Debt Fund Direct Growth	14,01,875.71	797.29	14,01,875.71	-	760.95
Kotak Corporate Bond Fund Direct Growth	11,785.81	386.13	11,785.81	-	369.24
Kotak Overnight Fund (G) Direct	4,882.71	58.39	-	-	-
HSBC Short Term Bond Fund Direct Plan - Growth (formerly known as L&T Short Term Bond Fund - Growth)	33,55,055.13	751.79	33,55,055.13	33,55,055.13	726.72
HSBC Short Duration Fund Direct Growth (formerly known as L&T Short Term Bond Fund Direct Plan - Growth)	73,56,069.13	1,728.93	1,66,94,113.67	-	3,774.68
HSBC Corporate Bond Fund Direct - Growth (formerly known as L&T Triple Ace Bond Fund Direct Plan - Growth)	56,76,484.97	3,693.00	56,76,484.97	46,83,467.00	3,568.22
HSBC Ultra Short Duration Fund (formerly known as L&T Ultra Short Term Fund Direct Plan - Growth)	1,22,645.55	1,427.17	37,17,928.91	-	1,352.98
Nippon India Arbitrage Fund - Direct Growth	38,96,708.92	940.62	38,96,708.92	-	889.54
Nippon India Banking & Psu Debt Fund - Direct Growth Plan	34,56,144.67	622.11	34,56,144.67	-	596.35
Nippon India Floating Rate Fund - Direct Growth	16,53,443.06	653.37	16,53,443.06	-	624.08
Nippon India Short Term Fund - Direct Growth Plan Growth Option	-	-	31,04,391.75	-	1,413.36



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All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (In Nos)	Amount (In lacs)	Units (In Nos)	Units (On Lien)	Amount (In lacs)
Nippon India Strategic Debt Fund - Segregated Portfolio 2 - Growth Plan	15,27,172.21	-	15,27,172.21	-	-
SBI Banking & PSU Fund Direct Growth (formerly SBI Treasury Advantage Fund)	28,083.04	779.31	28,083.04	-	749.27
SBI Corporate Bond Fund - Direct Plan - Growth	-	-	1,51,28,097.77	-	1,932.63
SBI Credit Risk Fund Direct Growth	7,37,846.74	297.22	7,37,846.74	-	282.15
SBI Floating Rate Debt Fund Growth Direct	47,65,797.04	533.58	47,65,797.04	-	507.65
SBI Magnum Medium Duration Fund Regular Growth	10,12,060.74	464.57	10,12,060.74	-	442.93
SBI Magnum Medium Duration Fund Regular Growth (formerly SBI Regular Savings Fund)	18,74,468.17	805.54	18,74,468.17	-	772.09
SBI Magnum Ultra Short Duration Fund Direct Growth	45,056.09	2,324.18	45,056.09	-	2,206.43
SBI Arbitrage Opportunities Fund (G) Direct	1,50,99,211.31	4,562.94	-	-	-
Tata Money Market Fund (G) Direct	26,332.55	1,065.96	-	-	-
Tata CRISIL IBX Gilt Index April 2026 Index Fund (G) Direct	4,81,59,261.13	4,999.61	-	-	-
TATA Nifty G-Sec Dec 2026 Index Fund-Direct-Growth	99,99,600.02	1,013.68	-	-	-
UTI Credit Risk Fund (Segregated - 06032020) - Regular Growth Plan	20,00,253.37	-	20,00,253.37	-	-
UTI Short Term Income Fund - Direct Growth Plan	19,29,868.00	542.76	48,69,601.05	19,29,868.00	1,302.96
UTI Short Term Income Fund - Regular Growth Plan	-	-	22,37,015.21	22,37,015.21	572.64
<b>Total</b>		<b>1,06,146.60</b>			<b>86,879.17</b>
Aggregate book value of quoted investments		1,06,146.60			86,879.17
Aggregate market value of quoted investments		1,06,146.60			86,879.17

### Note:

The investments in relation to Lifestar Pharma Private Limited and Magnet Labs Private Limited which got merged with the Company effective dated March 28, 2023 are currently in process of being transferred in the name of Company.

The investment marked under lien are given as security to HDFC Bank for working capital loan as at March 31, 2023: Nil (March 31, 2022: INR 17,625.23 lacs). The lien has been removed during the year ended March 31, 2023.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 9 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(carried at amortised cost)</b>		
<b>Non-Current</b>		
<b>(Unsecured and considered good)</b>		
Security deposits and earnest money deposits	751.27	437.11
Security deposits to related parties (refer note 42)	62.69	314.53
Bank deposits under lien (refer note a below)	892.52	236.95
Fixed deposits with original maturity of more than twelve months	1,676.11	-
Other receivable (refer note (b) below) (also refer note 42)	-	178.53
	<b>3,382.59</b>	<b>1,167.12</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
<b>(Unsecured and considered good)</b>		
Security deposits and earnest money deposits	759.71	638.35
Security deposits to related parties (refer note 42)	536.77	391.20
Share issue expenses (refer note (c) below)	4,043.58	-
Other receivable (refer note (b) below) (also refer note 42)	185.96	248.18
	<b>5,526.02</b>	<b>1,277.73</b>

### Notes:

- Bank deposits are lien marked with banks and are issued to various government authorities/ institutions as margin/ deposits for performance guarantee.
- Other receivable includes outstanding balance recoverable on sale of investment in partnership firm i.e. Om Sai Pharma Pack.
- The Company has incurred share issue expenses in connection with proposed public offer of equity shares amounting INR 4,043.58 lacs (March 31, 2022: INR Nil). In accordance with the Companies Act 2013 ("the Act") and also as per the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Company will recover the expenses incurred in connection with the Issue on completion of Initial Public Offer (IPO). The entire amount has been disclosed under this head.

### 10 Income tax assets and liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current tax assets</b>		
Income tax receivable (net of provisions for income tax)	9,541.78	7,271.68
	<b>9,541.78</b>	<b>7,271.68</b>
<b>Current tax liabilities</b>		
Current tax liabilities (net of advance tax)	4,302.14	1,073.38
	<b>4,302.14</b>	<b>1,073.38</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 11 Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current</b>		
(unsecured and considered good)		
Balances with Government authorities (paid under protest)	1,217.06	1,271.05
Capital advances	3,313.63	5,335.20
Prepaid expenses	189.83	221.60
<b>(unsecured and considered doubtful)</b>		
Advances for purchase of immovable properties (refer note (a) below)	1,230.00	1,230.00
Less: Allowance for doubtful advances (refer note (b) below)	(1,230.00)	(1,230.00)
	<b>4,720.52</b>	<b>6,827.85</b>

#### Notes :

(a) The Company assesses recoverability of advances for purchase of immovable properties. Considering the overall ongoing status of these advances, the Company carries an allowance for doubtful advances given to such parties.

#### (b) Movement in allowance for doubtful advances

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance as at the beginning of the year	1,230.00	2,671.94
Provision recognised during the year	-	-
Provision utilised during the year	-	(1,441.94)
Balance as at the end of the year	<b>1,230.00</b>	<b>1,230.00</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
<b>(unsecured and considered good)</b>		
Prepaid expenses	2,943.73	13,320.16
Advances to vendors (refer note (a) below)	3,889.75	6,193.49
Advances to employees	287.04	311.16
Balances with Government authorities	51,568.59	68,052.52
Government grant receivable (refer note 37)	2,775.04	3,076.13
Share application money (refer note 42)	400.00	-
<b>(unsecured and considered doubtful)</b>		
Advances to vendors	144.29	228.75

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
Advances to employees	135.78	1.43
Less: Allowance for doubtful advances (refer note (b) below)	(280.07)	(230.18)
	<b>61,864.15</b>	<b>90,953.46</b>

(a) Advance to vendor includes due to related parties INR 1,743.25 lacs (March 31, 2022 : INR 2,125.43 lacs).

#### (b) Movement in allowance for doubtful advances

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance as at the beginning of the year	230.18	631.15
Provision recognised during the year	151.20	243.09
Provision utilised during the year	(101.31)	(644.06)
Balance as at the end of the year	<b>280.07</b>	<b>230.18</b>

### 12 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials and components		
In hand	16,963.23	15,544.94
In transit	1,332.97	561.36
Work-in-progress	2,912.42	2,809.40
Finished goods		
In hand	23,640.93	27,170.79
In transit	858.41	-
Stock in trade		
In hand	52,597.82	76,644.76
In transit	1,744.15	1,917.46
Stores and spares	3,171.59	2,019.84
	<b>1,03,221.52</b>	<b>1,26,668.55</b>

#### Notes:

- Inventory write downs are recognised, considering the nature of inventory, estimated shelf life, ageing of inventory and actual scrapping of inventory as well as provisioning policy of the Company. Write downs of inventories amounted to 12,787.52 lacs (March 31, 2022 : 10,147.62 lacs). These written down were included in the cost of raw material and components consumed and changes in inventories of finished goods, work in progress and stock in trade.
- Method of valuation of inventory has been stated in note 2.15.



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 13 Assets classified as held for sale

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amounts of:		
Freehold land	318.78	270.20
	<b>318.78</b>	<b>270.20</b>

#### Note:

- The Company has a property at C-51, Rosewood city, Gurugram which is held for sale as the Company has entered into an agreement with the third party for sale of such property. Accordingly, recognised as held for sale and measured in accordance with Ind-AS 105 "Non Current Assets Held For Sale and Discontinued Operations" at lower of its carrying amount and fair value less cost to sell. The Company expects to complete the sale by September 30, 2023.
- The Company has a Land at Khasra No. 1024 at village Ghat, District Meerut, which is held for sale as the Company has entered into an agreement with the third party for sale. Accordingly, recognised as held for sale and measured in accordance with Ind-AS 105 "Non Current Assets Held For Sale and Discontinued Operations" at lower of its carrying amount and fair value less cost to sell. The Company expects to complete the sale by September 30, 2023.

### 14 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured</b>		
Considered good	37,349.42	29,298.17
Considered credit impaired	1,265.30	911.96
Considered good - Related Parties (refer note 42)	11,914.73	17,760.68
	50,529.45	47,970.81
Less: Allowance against expected credit loss	(1,265.30)	(911.96)
	<b>49,264.15</b>	<b>47,058.85</b>

#### 14.1 Trade Receivables ageing schedule

##### As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	39,491.74	8,178.82	345.89	1,219.55	27.65	0.50	49,264.15
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	161.63	220.82	193.98	122.88	133.19	158.53	991.03

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	16.26	10.81	0.60	171.31	21.51	53.78	274.27
<b>Total</b>	<b>39,669.63</b>	<b>8,410.45</b>	<b>540.47</b>	<b>1,513.74</b>	<b>182.35</b>	<b>212.81</b>	<b>50,529.45</b>

##### As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	29,050.34	15,366.84	291.99	2,347.83	1.85	-	47,058.85
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	103.60	102.32	105.56	135.66	94.14	112.95	654.23
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	20.57	0.01	172.07	6.90	0.09	58.09	257.73
<b>Total</b>	<b>29,174.51</b>	<b>15,469.17</b>	<b>569.62</b>	<b>2,490.39</b>	<b>96.08</b>	<b>171.04</b>	<b>47,970.81</b>

- Trade receivables represents the amount of consideration in exchange of goods or services transferred to the customers that is unconditional.
- The average credit period to domestic customers ranges upto 21 days and to export customers upto 180 days. Our credit terms for government institutions are typically ranging from 90 to 120 days. No interest is charged on trade receivables upto the due date from the date of the invoice.
- The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and adjusted for forward looking information.
- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member apart from those mentioned below.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
Next Wave (India)	39.60	0.08
Pathkind Diagnostics Private Limited	1.84	1.54
Intercity Corporate Towers LLP	0.06	-
Star Infra Developers Private Limited	-	0.36
	<b>41.50</b>	<b>1.98</b>

### e. Movement in allowance for expected credit loss:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	911.96	439.53
Provision for expected credit losses recognised during the year (refer note 34)	353.35	472.43
Balance at the end of the year	<b>1,265.30</b>	<b>911.96</b>

## 15 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- on current account	13,400.94	9,664.83
Cash on hand	12.39	9.05
	<b>13,413.33</b>	<b>9,673.88</b>

### Note:

- a. There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior year.

## 16 Other bank balances (carried at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Fixed deposits with original maturity of more than three months but remaining maturity of less than twelve months	-	607.80
Fixed deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	2,101.92	3,603.17
	<b>2,101.92</b>	<b>4,210.97</b>

### Note:

- a. Bank deposits includes interest accrued and not due on deposit account with banks amounting to INR 74.58 lacs and INR 138.79 lacs as at March 31, 2023 and as at March 31, 2022 respectively.
- b. Short-term deposits are made of varying periods between 3 to 12 months depending on the cash requirements of the Company and earn interest at the respective short-term deposits rates.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 17 Loans (carried at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
<b>(unsecured and considered good)</b>		
Loan to related parties (refer note 42)	9,700.90	14,477.62
Loan to employees	133.44	100.73
<b>(unsecured and considered doubtful)</b>		
Loan to related parties (refer note 42)	-	3,100.00
Less: Impairment allowance for credit impaired (refer note (a) below)	-	(3,100.00)
	<b>9,834.34</b>	<b>14,578.35</b>

### (a) Movement in impairment allowance

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance as at the beginning of the year	3,100.00	5,046.63
Provision written back during the year	(3,100.00)	(1,751.30)
Provision utilised during the year	-	(195.33)
Balance as at the end of the year	-	<b>3,100.00</b>

### Notes:

- a. The loans classified as current are repayable on demand and expectation of management to release them in next financial year.
- b. Further information about these loans is set out in Note 42. These financial assets are carried at amortised cost.
- c. During the year, the Company has assessed recoverability of loans given to subsidiaries. Considering the current financial position of the Company, on going market condition in which the subsidiary operates and wherever required an impairment allowance has been made.
- d. **Break up of financial assets carried at amortised cost:**

Particulars	As at March 31, 2023	As at March 31, 2022
Other financial assets (non-current)	3,382.59	1,167.12
Trade receivables (current)	49,264.15	47,058.85
Cash and cash equivalents (current)	13,413.33	9,673.88
Other bank balances (current)	2,101.92	4,210.97
Loans (current)	9,834.34	14,578.35
Other financial assets (current)	5,526.02	1,277.73



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- e. Loans or advances in the nature of loans are granted to promoters, directors, key managerial personnel (KMPs) and the related parties that are:

- a. Repayable on demand

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loan and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loan and advances in the nature of loans
Subsidiaries	9,700.90	98.64%	17,577.62	99.43%

### 18 Share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
41,35,00,000 equity shares of INR 1 each (March 31, 2022 : 41,35,00,000 equity shares of INR 1 each)	4,135.00	4,135.00
Issued, subscribed and fully paid up		
40,05,88,440 equity shares of INR 1 each fully paid up (March 31, 2022 : 40,05,88,440 equity shares of INR 1 each)	4,005.88	4,005.88
	<b>4,005.88</b>	<b>4,005.88</b>

#### Notes:

#### (i) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend 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, holder 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.

#### (ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

##### Issued equity capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity shares outstanding at the beginning of the year	40,05,88,440	4,005.88	40,05,88,440	4,005.88
<b>Equity shares outstanding at the end of the year</b>	<b>40,05,88,440</b>	<b>4,005.88</b>	<b>40,05,88,440</b>	<b>4,005.88</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

#### (iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Numbers	% holding	Numbers	% holding
<b>Equity shares</b>				
Ramesh Juneja Family Trust (held in the name of Mr. Ramesh Juneja, Managing Trustee)	8,33,52,652	20.81%	8,33,52,652	20.81%
Rajeev Juneja Family Trust (held in the name of Mr. Rajeev Juneja, Managing Trustee)	7,99,30,520	19.95%	7,99,30,520	19.95%
Prem Sheetal Family Trust (held in the name of Arora Family Private Limited, Trustee)	6,17,55,635	15.42%	6,17,55,635	15.42%
Mr. Sheetal Arora	2,38,98,836	5.97%	2,38,98,836	5.97%
Cairnhill CIPEF Limited	3,82,92,240	9.56%	3,82,92,240	9.56%
Beige Limited	3,98,58,843	9.95%	3,98,58,843	9.95%
	<b>32,70,88,726</b>	<b>81.66%</b>	<b>32,70,88,726</b>	<b>81.66%</b>

Cairnhill CIPEF Limited has pursuant to share purchase agreement dated March 31, 2023 ("SPA") transferred 1,39,24,448 Equity Shares to Hema CIPEF (I) Limited, which at the time of entering into the SPA was an affiliate (as defined under the Shareholding Agreement ("SHA") dated April 06, 2018, amended from time to time) of Cairnhill CIPEF Limited. The said Equity Shares were transferred on April 6, 2023. Cairnhill CGPE Limited has pursuant to share purchase agreement dated March 31, 2023 ("SPA") transferred 5,97,879 and 15,01,211 Equity Shares to Hema CIPEF (I) Limited and Hema CGPE (I) Limited, respectively, each of which at the time of entering into the SPA was an affiliate (as defined under the SHA) of Cairnhill CGPE Limited, respectively. The said Equity Shares were transferred on April 6, 2023.

#### (iv) Shares issued for consideration other than cash :

The Company has allotted 20,02,94,220 fully paid up equity shares of INR 1/- each on June 01, 2017 pursuant to 1:1 bonus share issue approved by the shareholders in the Extraordinary General Meeting (EGM) held on April 20, 2017, by capitalising the amount of INR 2,002.94 lacs of securities premium of the Company.

- (v) Authorised share capital has been increased by 35,00,000 shares of INR 1 each vide NCLT order for merger dated March 02, 2023 and supplement order dated March 21, 2023 (refer note 49).

#### (vi) Shares held by each promoter [as per section 2(69) of the Companies Act, 2013]:

Disclosure of shareholding of promoter as at March 31, 2023 is as follows:

S. No.	Name	As at March 31, 2023		As at March 31, 2022		Change during the year	% change during the year
		Number of shares held	% of total shares	Number of shares held	% of total shares		
1	Mr. Ramesh Juneja	1,05,61,433	2.64%	1,05,61,433	2.64%	-	-
2	Ramesh Juneja Family Trust (held in the name of Mr. Ramesh Juneja, Managing Trustee)	8,33,52,652	20.81%	8,33,52,652	20.81%	-	-
3	Mr. Rajeev Juneja	1,00,05,170	2.50%	1,00,05,170	2.50%	-	-
4	Rajeev Juneja Family Trust (held in the name of Mr. Rajeev Juneja, Managing Trustee)	7,99,30,520	19.95%	7,99,30,520	19.95%	-	-
5	Mr. Sheetal Arora	2,38,98,836	5.97%	2,38,98,836	5.97%	-	-
6	Prem Sheetal Family Trust (held in the name of Arora Family Private Limited, Trustee)	6,17,55,635	15.42%	6,17,55,635	15.42%	-	-
		<b>26,95,04,246</b>	<b>67.29%</b>	<b>26,95,04,246</b>	<b>67.29%</b>		

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### Disclosure of shareholding of promoter as at March 31, 2022 is as follows:

S. No.	Name	As at March 31, 2022		As at March 31, 2021		Change during the year	% change during the year
		Number of shares held	% of total shares	Number of shares held	% of total shares		
1	Mr. Ramesh Juneja	1,05,61,433	2.64%	1,05,61,433	2.64%	-	-
2	Ramesh Juneja Family Trust (held in the name of Mr. Ramesh Juneja, Managing Trustee)	8,33,52,652	20.81%	8,33,52,652	20.81%	-	-
3	Mr. Rajeev Juneja	1,00,05,170	2.50%	1,00,05,170	2.50%	-	-
4	Rajeev Juneja Family Trust (held in the name of Mr. Rajeev Juneja, Managing Trustee)	7,99,30,520	19.95%	7,99,30,520	19.95%	-	-
5	Mr. Sheetal Arora	2,38,98,836	5.97%	2,38,98,836	5.97%	-	-
6	Prem Sheetal Family Trust (held in the name of Arora Family Private Limited, Trustee)	6,17,55,635	15.42%	6,17,55,635	15.42%	-	-
		<b>26,95,04,246</b>	<b>67.29%</b>	<b>26,95,04,246</b>	<b>67.29%</b>		

### 19 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
General reserve (refer note 19.1)	24,896.93	24,896.93
Securities premium (refer note 19.2)	4,211.74	4,211.74
Retained earnings (refer note 19.3)	7,86,830.34	6,62,490.43
Capital reserve (refer note 19.4)	(41,559.70)	(41,559.70)
Employee stock option reserve (refer note 19.5) (also refer note 55)	5.91	-
	<b>7,74,385.22</b>	<b>6,50,039.40</b>

#### 19.1 General reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year (refer note 49)	24,896.93	24,896.93
Transferred from retained earnings	-	-
<b>Balance at the end of the year</b>	<b>24,896.93</b>	<b>24,896.93</b>

#### Nature and purpose of reserve:

Under the erstwhile Companies Act 1956, General Reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to General Reserve has been withdrawn. However, the amount previously transferred to General Reserve can be utilised only in accordance with provisions of the Companies Act, 2013.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 19.2 Securities premium

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	4,211.74	4,211.74
Less : Utilised during the year	-	-
<b>Balance at the end of the year</b>	<b>4,211.74</b>	<b>4,211.74</b>

#### Nature and purpose of reserve:

Securities premium is used to record premium on issue of shares. The reserves can be utilised only for limited purposes in accordance with provisions of the Companies Act, 2013.

### 19.3 Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year (refer note 49)	6,62,490.43	5,23,627.38
Profit for the year	1,24,825.80	1,38,942.44
Other comprehensive income/(loss)	(485.89)	(79.39)
<b>Balance at the end of the year</b>	<b>7,86,830.34</b>	<b>6,62,490.43</b>

#### Nature and purpose of reserve:

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

The amount that can be distributed by the Company as dividends to its equity shareholders, is determined based on the requirements of Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

### 19.4 Capital reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	(41,559.70)	(41,559.70)
Increase/(decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>(41,559.70)</b>	<b>(41,559.70)</b>

#### Note:

The negative capital reserve of INR 41,559.70 lacs represents net assets transferred during the year ended March 31, 2019 in respect of the Company's leasing business to a related party, Mankind Biosys Limited in accordance with the Scheme of Demerger approved by the Hon'ble National Company Law Tribunal on May 18, 2018.



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 19.5 Employee stock option reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	-
Increase/(decrease) during the year	5.91	-
<b>Balance at the end of the year</b>	<b>5.91</b>	<b>-</b>

### 20 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
(Secured, valued at amortised cost)	-	62,125.16
Working capital demand loan (WC DL) (refer note a to e)	-	241.03
<b>(Unsecured, at amortised cost)</b>		
Loan from bank (refer note f)	-	6,000.00
	<b>-</b>	<b>68,366.19</b>

#### Note:

Nature of security of borrowings and other terms are as under:

- The Company had availed a secured working capital demand loan from Citibank N.A. This loan is secured by way of first pari passu charge on current assets (book debts) of the Company, both present and future and carry interest rate in the range of 4.22% to 6.40% p.a. (March 31, 2022: 3.90% to 4.25% p.a.). The current outstanding amount of the loan is INR Nil (March 31, 2022: INR 22,500 lacs) against the sanctioned limit of INR 29,500 lacs (March 31, 2022: INR 29,500 lacs).
- The Company had availed a secured working capital demand loan from HDFC bank. This loan is secured by way of first pari passu charge on stock in trade and book debts of the Company and carry interest rate in the range of 4.25% to 6.40% p.a. (March 31, 2022: 4.06% to 4.25% p.a.). The current outstanding amount of the loan is INR Nil (March 31, 2022: INR 22,500 lacs) against the sanctioned limit of INR 25,000 lacs (March 31, 2022: INR 25,000 lacs).
- The Company had availed a secured working capital demand loan from HDFC bank. This loan is secured by way of first pari passu charge on investments in Mutual Funds (Refer Note- 8) and carry interest rate at 5.90% p.a. (March 31, 2022: 5.90% p.a.) The current outstanding amount of the loan is INR Nil (March 31, 2022 : INR 7,000 lacs) against the sanctioned limit of INR 10,000 lacs (March 31, 2022 : INR 10,000 lacs).
- It includes interest accrued but not due amounting to INR Nil (March 31, 2022 : INR 125.16 lacs).
- The Company had availed a secured working capital demand loan from Kotak Mahindra Bank. The loan is secured by the way of First Pari-Passu hypothecation charge on all existing and future current assets of the borrower to be shared with other working capital vendors. This loan carries interest rate in the range of 5.50% to 6.90% p.a. (March 31, 2022 : 5.50% p.a.). The current outstanding is INR Nil (March 31, 2022 : INR 10,000 lacs) against sanctioned limit of INR 17,000 lacs (March 31, 2022 : INR 17,000 lacs).

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- The Company had availed overdraft facility of INR Nil (March 31, 2022 : INR 6,000 lacs) from ICICI Bank which carries interest rate in the range of 4.60% to 6.30% p.a. (March 31, 2022 : 4.60% p.a.) against sanctioned limit of INR 18,000 lacs (March 31, 2022 : INR 6,000 lacs).
- The Company has availed Bill discounting facility for its trade payables from Citi bank for the purpose of meeting Working Capital requirement, against which a sum of INR Nil (March 31, 2022: INR 241.03 lacs) has been utilised as on the date of Balance Sheet. The Company has assigned all its rights and privileges to the bank and there is recourse on the Company. This loan carries interest rate of 4.25% p.a. (March 31, 2022 : 4.25% p.a.).
- The Company has not defaulted on financial covenants, repayment of loans and interest during the current and previous year.
- The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts except to the following on account of variance of entries posted in routine book closure process which is normally concluded post filing of statements with the banks and reportings made in respect of select general ledger accounts instead of all accounts considered as per financial statement classification, the Company is yet to file quarterly return with banks for the quarter ended March 31, 2023. This does not have any impact on classification of loan or any debt covenants:-

#### For the year ended March 31, 2023

##### Mankind Pharma Limited:-

Quarter ended	Name of Bank	Particulars	Amount as per books of account (A)	Amount as reported in the quarterly return/statement (B)	Discrepancy (A-B)
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivable	64,269.26	64,422.18	(152.92)
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventory	98,524.98	98,191.94	333.04
June 30, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	2,03,665.47	2,04,172.49	(507.02)
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	6,06,128.93	6,06,398.52	(269.59)
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payable	78,571.82	86,592.74	(8,020.92)

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

For the year ended March 31, 2022

Mankind Pharma Limited:-

Quarter ended	Name of Bank	Particulars	Amount as per books of account (A)	Amount as reported in the quarterly return/statement (B)	Discrepancy (A-B)
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivables	69,002.65	43,052.96	25,949.69
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivables	76,662.53	49,275.22	27,387.31
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivables	57,588.92	40,746.20	16,842.72
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivables	51,729.45	26,754.13	24,975.32
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventories	91,830.59	1,01,502.54	(9,671.95)
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventories	85,160.72	93,148.80	(7,988.08)
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventories	93,324.13	96,917.04	(3,592.91)
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventories	1,22,579.16	1,31,338.95	(8,759.79)
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	2,15,624.85	2,08,383.09	7,241.76
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	4,07,781.78	3,91,882.14	15,899.64
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	5,80,837.82	5,58,503.33	22,334.49
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	7,25,703.59	7,04,119.06	21,584.53
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payables	81,926.33	50,753.18	31,173.15
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payables	76,430.60	27,646.31	48,784.29
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payables	75,397.82	37,018.02	38,379.80
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payables	92,488.34	68,442.74	24,045.60
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Bank Outstanding	68,000.00	61,000.00	7,000.00

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

For the year ended March 31, 2022

Magnet Labs Private Limited:-

(now merged with Mankind Pharma Limited vide NCLT order dated March 02, 2023 and supplement order dated March 21, 2023)

Quarter ended	Name of Bank	Particulars	Amount as per books of account (A)	Amount as reported in the quarterly return/statement (B)	Discrepancy (A-B)
June 30, 2021	HDFC bank	Inventory	3,369.23	3,857.49	(488.26)
September 30, 2021	HDFC bank	Inventory	3,373.63	3,825.00	(451.37)
December 31, 2021	HDFC bank	Inventory	3,837.04	3,906.29	(69.25)
March 31, 2022	HDFC bank	Inventory	4,204.41	4,680.37	(475.96)
June 30, 2021	HDFC bank	Trade Receivable	2,095.00	2,037.89	57.11
September 30, 2021	HDFC bank	Trade Receivable	2,263.79	2,221.19	42.60
December 31, 2021	HDFC bank	Trade Receivable	1,293.49	1,605.03	(311.54)
March 31, 2022	HDFC bank	Trade Receivable	1,100.53	1,031.11	69.42
June 30, 2021	HDFC bank	Trade Payable	6,442.17	4,886.83	1,555.34
September 30, 2021	HDFC bank	Trade Payable	5,793.09	3,722.31	2,070.78
December 31, 2021	HDFC bank	Trade Payable	6,908.98	5,267.65	1,641.33
March 31, 2022	HDFC bank	Trade Payable	7,200.19	4,053.18	3,147.01
June 30, 2021	HDFC bank	Revenue	8,597.69	8,679.74	(82.05)
September 30, 2021	HDFC bank	Revenue	16,931.43	17,034.30	(102.87)
December 31, 2021	HDFC bank	Revenue	23,654.20	24,158.29	(504.09)
March 31, 2022	HDFC bank	Revenue	30,066.71	30,244.69	(177.98)

k) Changes in liability arising from financing activities:

Particulars	Lease liability		Current Borrowings	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening balances	423.19	585.39	68,366.19	9,500.00
Additions	247.72	-	-	-
Interest expense	35.06	43.59	1,896.53	342.50
Proceeds from borrowings	-	-	58,758.97	1,03,969.16
Repayment of borrowings	(201.84)	(162.20)	(1,27,000.00)	(45,228.13)
Interest paid	(35.06)	(43.59)	(2,021.69)	(217.34)
<b>Closing balances</b>	<b>469.07</b>	<b>423.19</b>	<b>-</b>	<b>68,366.19</b>



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 21 Lease liability

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Lease liability (refer note 6)	322.61	244.04
	<b>322.61</b>	<b>244.04</b>
<b>Current</b>		
Lease liability (refer note 6)	146.46	179.15
	<b>146.46</b>	<b>179.15</b>

### 22 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Provision for employee benefits		
Provision for gratuity (net) (refer note 38)	8,887.13	7,379.42
	<b>8,887.13</b>	<b>7,379.42</b>
<b>Current</b>		
Provision for employee benefits		
Provision for compensated absences	6,946.67	4,924.78
Provision for gratuity (net)	-	17.71
Other provisions		
Provision for expected sales return (refer note (a) below)	22,512.34	20,658.55
	<b>29,459.01</b>	<b>25,601.04</b>

Note :

#### (a) Provision for expected sales return

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance as at the beginning of the year	20,658.55	18,762.22
Addition during the year	22,240.14	19,632.86
Utilised during the year	(20,386.35)	(17,736.53)
Balance as at the end of the year	<b>22,512.34</b>	<b>20,658.55</b>

**Provision for expected sales return:** A provision is recognized for expected sales return on products sold by the Company during the year based on the past experiences of level of return. It is expected that significant level of returns will be incurred in next financial year. Assumptions used to calculate said provision are based on current sales level and current information available about sales return.

### 23 Deferred tax balances

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities	(31,922.92)	(20,078.59)
Deferred tax assets	26,337.49	16,526.44
<b>Deferred tax assets / (liabilities) (net)</b>	<b>(5,585.43)</b>	<b>(3,552.15)</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

For the year ended March 31, 2023

Particulars	Opening Balance	Recognised/ (reversed) in Profit or loss	Recognised/ (reversed) in other comprehensive Income	Closing balance
<b>Deferred tax liabilities in relation to</b>				
Accelerated depreciation and amortisation for tax purposes	(16,333.30)	(10,795.37)	-	(27,128.67)
Unrealised profit on investments measured at fair value through profit or loss	(3,612.16)	(1,016.47)	(12.69)	(4,641.32)
Right of use assets	(133.13)	(19.80)	-	(152.93)
	<b>(20,078.59)</b>	<b>(11,831.64)</b>	<b>(12.69)</b>	<b>(31,922.92)</b>
<b>Deferred tax assets in relation to</b>				
Provision for employee benefits	4,587.31	1,364.21	273.69	6,225.21
Allowance for expected credit loss	304.64	137.51	-	442.15
Provision for expected sales return	7,044.96	821.75	-	7,866.71
Deferred tax on carry forwarded losses and depreciation	545.39	(545.39)	-	-
Deferred Government Grant	478.27	186.33	-	664.60
Provision for slow moving inventories	3,241.37	1,381.15	-	4,622.52
Lease Liability	147.88	16.04	-	163.92
Others includes provision for advance to vendors and employees	176.62	(72.02)	-	104.60
	<b>16,526.44</b>	<b>3,289.58</b>	<b>273.69</b>	<b>20,089.71</b>
Add: MAT Credit Entitlement	-	6,247.78	-	6,247.78
Net Deferred tax assets	16,526.44	9,537.36	273.69	26,337.49
<b>Deferred tax (liabilities)/ assets (net)</b>	<b>(3,552.15)</b>	<b>(2,294.28)</b>	<b>261.00</b>	<b>(5,585.43)</b>

For the year ended March 31, 2022

Particulars	Opening Balance	Recognised/ (reversed) in Profit or loss	Recognised/ (reversed) in other comprehensive Income	Closing balance
<b>Deferred tax liabilities in relation to</b>				
Accelerated depreciation and amortisation for tax purposes	(8,645.28)	(7,688.02)	-	(16,333.30)
Unrealised profit on investments measured at fair value through profit or loss	(3,153.21)	(458.95)	-	(3,612.16)
Right of use assets	(202.89)	69.76	-	(133.13)
	<b>(12,001.38)</b>	<b>(8,077.21)</b>	-	<b>(20,078.59)</b>
<b>Deferred tax assets in relation to</b>				
Provision for employee benefits	3,983.63	555.60	48.08	4,587.31
Allowance for expected credit loss	126.37	178.27	-	304.64
Provision for expected sales return	6,187.81	857.15	-	7,044.96
Deferred tax on carry forwarded losses and depreciation	-	545.39	-	545.39
Deferred Government Grant	161.11	317.16	-	478.27
Provision for slow moving inventories	2,731.79	509.58	-	3,241.37
Lease Liability	204.56	(56.68)	-	147.88
Others includes provision for advance to vendors and employees	312.60	(127.16)	(8.82)	176.62
	13,707.87	2,779.31	39.26	16,526.44
<b>Deferred tax (liabilities)/ assets (net)</b>	<b>1,706.49</b>	<b>(5,297.90)</b>	<b>39.26</b>	<b>(3,552.15)</b>

**Note:**

- Deferred tax assets and deferred tax liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
- The Company has not created deferred tax on impairment loss of non-current financial assets, investments, doubtful capital advances and loans aggregating to INR 25,316.3 lacs as at March 31, 2023 and INR 23,866.3 lacs as at March 31, 2022, as the Company does not expect taxable capital gain in foreseeable future against which such deferred tax assets can be realised. Had the Company created deferred tax on the same, the profit would have been higher by INR 5,897.69 lacs for the year ended March 31, 2023 and INR 5,559.89 lacs for the year ended March 31, 2022.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 24 Other liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Deferred government grant (refer note 37)	2,017.25	1,522.55
<b>Current</b>		
Contract liabilities (refer note (a) below)	2,125.05	1,586.82
Statutory liabilities	7,512.98	19,099.99
Advance against sale of investments/property, plant and equipment	143.28	88.51
Others	60.30	134.55
	<b>9,841.61</b>	<b>20,909.87</b>

**Note:**

- The Company has entered into agreements with customers for sale of goods and services. The Company has identified these performance obligations and recognised the same as contract liabilities in respect of contracts when the Company has obligation to deliver the goods and perform specified services to a customer for which the Company has received consideration.

### 25 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
i. Total outstanding dues of micro enterprises and small enterprises (refer note 43)	2,591.93	4,278.13
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	77,604.54	87,850.63
	<b>80,196.47</b>	<b>92,128.76</b>

#### 25.1 Trade Payable ageing schedule

As at March 31, 2023

Particulars	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	2,149.10	442.67	0.16	-	-	2,591.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	35,271.28	27,429.08	14,191.59	546.00	57.46	58.54	77,553.95



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	25.85	-	24.74	50.59
<b>Total</b>	<b>35,271.28</b>	<b>29,578.18</b>	<b>14,634.26</b>	<b>572.01</b>	<b>57.46</b>	<b>83.28</b>	<b>80,196.47</b>

As at March 31, 2022

Particulars	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	660.74	3,116.17	501.22	-	-	4,278.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	31,116.84	38,966.14	17,585.55	58.69	53.36	45.40	87,825.98
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	24.65	-	24.65
<b>Total</b>	<b>31,116.84</b>	<b>39,626.88</b>	<b>20,701.72</b>	<b>559.91</b>	<b>78.01</b>	<b>45.40</b>	<b>92,128.76</b>

Note:

- The average credit period on purchases is up to 90 days for the Company. The Company however ensures that all payables are paid within the pre agreed credit period.
- Trade Payables include due to related parties INR 17,884.80 lacs (March 31, 2022 : INR 24,198.58 lacs). Refer note 42.
- The amounts are unsecured and non-interest bearing and on varying trade terms.
- For terms and conditions with related parties, refer to Note 42.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 26 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Book overdraft	-	1,056.56
Capital creditors	8,289.47	8,849.36
Trade/ security deposits	9,673.46	8,962.46
	<b>17,962.93</b>	<b>18,868.38</b>

Break up of financial liabilities carried at amortised cost:

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (non current)	322.61	244.04
Borrowings (current)	-	68,366.19
Trade payables (current)	80,196.47	92,128.76
Lease liabilities (current)	146.46	179.15
Other financial liabilities (current)	17,962.93	18,868.38

### 27 Revenue from operations

#### 27.1 Revenue from contracts with customers

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	8,08,253.60	7,44,821.13
Sale of services	3,803.89	3,801.06
	<b>8,12,057.49</b>	<b>7,48,622.19</b>

#### (a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>(i) Type of goods &amp; service</b>		
Pharmaceutical and healthcare products	8,08,253.60	7,44,821.13
Services income	3,803.89	3,801.06
<b>Total revenue from contracts with customers</b>	<b>8,12,057.49</b>	<b>7,48,622.19</b>
<b>(ii) Geographical information</b>		
Within India	7,94,105.51	7,29,119.86
Outside India	17,951.98	19,502.33
<b>Total revenue from contracts with customers</b>	<b>8,12,057.49</b>	<b>7,48,622.19</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>(iii) Timing of revenue recognition</b>		
Goods transferred at a point of time	8,08,253.60	7,44,821.13
Services transferred over the time	3,803.89	3,801.06
<b>Total revenue from contracts with customers</b>	<b>8,12,057.49</b>	<b>7,48,622.19</b>

**(b) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue as per contracted price	8,49,855.88	7,82,786.00
<b>Adjustments:</b>		
Sales return	(22,240.14)	(19,632.86)
Discount	(12,214.20)	(9,991.74)
Scheme Cost	(3,344.05)	(4,539.21)
<b>Revenue from contracts with customers</b>	<b>8,12,057.49</b>	<b>7,48,622.19</b>

**(c) Contract balances**

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (refer note 14)	49,264.15	47,058.85
Contract liabilities (refer note 24)	2,125.05	1,586.82

The average credit period to domestic customers ranges upto 21 days and to export customers upto 180 days. Our credit terms for government institutions are typically ranging from 90 to 120 days. No interest is charged on trade receivables upto the due date from the date of the invoice.

Contract liabilities consist of short-term advances received against supply of goods to customer. Such advances are adjusted against supply of goods within a range of 3 months from the reporting date and the revenue is recognised out of the contract liabilities.

**(d) Performance obligations**

**Sales of goods:** Performance obligation is satisfied when control of goods is transferred to the customer, generally on delivery of the goods.

**Sales of services:** The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of services.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

**27.2 Other operating revenues**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Royalty income	657.83	-
	<b>657.83</b>	<b>-</b>
<b>Total revenue from operations</b>	<b>8,12,715.32</b>	<b>7,48,622.19</b>

**28 Other income**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest income</b>		
Interest income earned on:		
- bank deposits (at amortised cost)	199.33	762.82
- financial assets (at amortised cost)	1,247.66	1,656.07
Other interest income	175.00	86.07
	<b>1,621.99</b>	<b>2,504.96</b>
<b>Other</b>		
Rental income	61.38	5.54
Insurance claim received	411.05	84.34
Unrealised gain on current investments measured at FVTPL	3,333.91	3,954.73
Realised gain on current investments measured at FVTPL	162.19	4,750.74
Dividend income from investment measured at FVTPL	0.05	0.04
Government grant income*	3,618.26	3,766.44
Reversal of impairment allowance on sale of an associate	-	800.00
Gain on sale of property, plant and equipment (net)	171.61	-
Scrap sales	496.53	277.05
Share in profit/ loss of partnership firms (net) (refer note 42)	988.86	954.70
Reversal of impairment allowance of financial assets	3,100.00	1,751.30
Liabilities written back	247.30	150.65
Gain on foreign currency transactions (net)	1,021.41	848.04
Other income	1,043.75	532.71
	<b>14,656.30</b>	<b>17,876.48</b>
<b>Total other income</b>	<b>16,278.29</b>	<b>20,381.44</b>

\*Government grant includes budgetary support, Export Promotion Capital Goods Scheme (EPCG) and export incentives.



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 29 Cost of raw material and components consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year	16,106.30	12,468.89
Add: Purchase of pharmaceutical and healthcare products	73,294.73	80,896.22
	89,401.03	93,365.11
Less: inventory at the end of the year	(18,296.20)	(16,106.30)
	<b>71,104.83</b>	<b>77,258.81</b>

### 30 Changes in inventories of finished goods, work in progress and stock in trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening Stock:</b>		
Finished goods	27,170.79	18,960.60
Work in progress	2,809.40	2,138.98
Stock in trade		
a. In hand	76,644.76	50,218.15
b. In transit	1,917.46	697.71
	<b>1,08,542.41</b>	<b>72,015.44</b>
<b>Closing Stock:</b>		
Finished goods		
a. In hand	23,640.93	27,170.79
b. In transit	858.41	-
Work in progress	2,912.42	2,809.40
Stock in trade		
a. In hand	52,597.82	76,644.76
b. In transit	1,744.15	1,917.46
	<b>81,753.73</b>	<b>1,08,542.41</b>
<b>Net decrease/(increase)</b>	<b>26,788.68</b>	<b>(36,526.97)</b>

### 31 Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	1,59,314.79	1,37,215.32
Contribution to provident and other fund (refer note 38)	7,758.78	6,543.02
Gratuity expense (refer note 38)	1,639.46	1,454.05
Staff welfare expenses	1,418.91	1,063.66
Employee stock option plan expenses (refer note 55)	5.91	-
	<b>1,70,137.85</b>	<b>1,46,276.05</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 32 Finance Costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on borrowings at amortised cost	1,825.85	288.80
Interest expense on financial liabilities at amortised cost	541.68	454.86
Interest on delay deposit of income tax	301.54	940.01
Interest on lease liabilities at amortised cost	35.06	43.59
Interest on delay deposit of indirect taxes	-	2,931.10
Other finance costs	70.68	53.77
	<b>2,774.81</b>	<b>4,712.13</b>

### 33 Depreciation and amortisation expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 3)	10,853.49	9,617.36
Depreciation on investment properties (refer note 4)	5.47	5.47
Amortisation of intangible assets (refer note 5)	15,844.95	2,497.28
Depreciation of Right-of-use assets (refer note 6)	254.05	212.55
	<b>26,957.96</b>	<b>12,332.66</b>

### 34 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	4,381.59	4,319.19
Power and fuel	6,199.85	6,035.62
Rent	1,954.14	2,161.06
Repair and maintenance		
- Machinery	1,794.16	1,781.73
- Building	528.86	512.44
- others	4,657.30	2,744.13
Insurance	1,062.08	937.05
Rates and taxes	10,730.92	5,929.21
Communication expenses	2,292.63	1,982.81
Travelling and conveyance	47,740.34	35,261.72
Printing and stationery	826.38	569.65
Freight outward and other distribution cost	5,812.15	5,915.91
Commission and brokerage	16,390.65	16,359.30
Director sitting fees	34.80	16.00
Corporate social responsibility expenditure (refer note 47)	3,278.46	2,653.31
Legal and professional charges	15,828.55	10,025.91
Payments to auditors (refer note below)	194.21	120.20
Training and recruitment expenses	5,722.06	4,664.02

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertising and sales promotion expenses	38,584.80	46,375.17
Security expenses	446.74	384.12
Testing and inspection charges	6,286.64	7,150.19
Bank charges	48.11	41.89
Loss on sale and write off of property, plant and equipment (net)	-	345.47
Assets written off (refer note 3)	470.77	576.29
Bad debts	421.75	412.98
Impairment allowance for doubtful advances	151.20	243.09
Allowance for expected credit loss on trade receivables (refer note 14)	353.35	472.43
Impairment of non-current assets	4,550.00	2,208.00
Miscellaneous expenses	7,621.01	6,196.42
	<b>1,88,363.50</b>	<b>1,66,395.31</b>

### Note:

Payments to auditors (excluding input tax)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>As auditor:</b>		
Audit fees*	139.00	105.69
Tax audit fees	34.75	7.37
Certification	7.75	-
<b>In other capacity:</b>		
Reimbursement of expenses*	12.71	7.14
	<b>194.21</b>	<b>120.20</b>

\*Audit fees (including reimbursement of expenses) for the year ended March 31, 2023 excludes amount of INR 1,192.83 lacs pertaining to IPO expenses which will be recovered from the selling shareholders as per the offer agreement.

## 35 Income taxes

### 35.1 Income tax recognised in the Statement of profit and loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current tax</b>		
In respect of the current year	29,599.50	41,317.22
In respect of the previous year	(435.92)	1,586.16
	<b>29,163.58</b>	<b>42,903.38</b>
<b>Deferred tax</b>		
In respect of the current year	3,030.09	5,272.54
In respect of the previous year	(735.81)	25.36
	<b>2,294.28</b>	<b>5,297.90</b>
<b>Total income tax expense recognised in the current year</b>	<b>31,457.86</b>	<b>48,201.28</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
The Income tax expense for the year can be reconciled to the accounting profit as follows:		
<b>Profit before tax</b>	<b>1,56,283.66</b>	<b>1,87,143.72</b>
Statutory income tax rate	34.944%	34.944%
Income tax expense at statutory income tax rate	54,611.76	65,395.85
Effect of Income that is exempt from taxation	(345.55)	(711.08)
Effect of expenses that are not deductible in determining taxable profit	6,280.55	7,350.47
Effect of accelerated allowances	(6.43)	(0.50)
Effect of concessions (tax holiday and similar exemptions)	(27,248.36)	(24,027.20)
Effect of income charged at lower tax rate	(150.11)	(508.71)
Effect of deductions for tax purposes	(1,291.79)	(169.00)
Impact of reversal of deferred tax in tax holiday period	29.68	79.01
Deferred tax credit in respect of the prior years	(735.81)	25.36
Impact of change in tax rate and merger	749.84	(819.08)
Adjustments recognised in the current year in relation to the previous years	(435.92)	1,586.16
	<b>31,457.86</b>	<b>48,201.28</b>

### 35.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income tax relating to item that will not be reclassified to profit or loss		
- Remeasurement of the defined benefit plan	273.69	48.08
- Change in the fair value of equity investments at FVTOCI	(12.69)	(8.82)
<b>Total income tax expense recognised in other comprehensive income</b>	<b>261.00</b>	<b>39.26</b>
Effective tax rate has been calculated on profit before tax.	20.13%	25.76%

On February 22, 2022 the Supreme Court of India passed an order that freebies provided to medical practitioners which were prohibited by law, was no less a prohibition on the part of the entity that is providing those freebies. The Company has evaluated its sales promotion expenses and also taken an expert opinion, basis which, it believes that the tax provisions accrued in the books adequately cover for any contingency. However, given the nature of the judgement, the ultimate outcome is not reasonably ascertainable at this stage.

## 36 Contingent Liabilities and Commitments (to the extent not provided for)

### A. Contingent Liabilities

#### (a) Claims against the Company not acknowledged as debts

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Sales tax including Goods and Service Tax (paid under protest INR Nil (March 31, 2022 : INR 12.87 lacs) )	9.56	267.50
(ii) Income tax demands on various matters (paid under protest INR 1,217.06 lacs (March 31, 2022 : INR 1,258.18 lacs) )	3,259.32	4,130.92
(iii) Commercial taxes (refer note i and ii)	-	18.14
<b>(b) Contingent in respect of input credit availed under GST Act (refer note (iii) below)</b>	<b>804.50</b>	<b>804.50</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### (c) Other Litigations

There are some litigations filed against the Company on account of design, trademarks and patent infringements, labour matters etc. relating to conduct of its business. These cases are at various stage of proceedings and the extent of claim or damages is indeterminate at this stage.

The Company is contesting these cases and based on views of internal legal counsel and in consultation with external legal counsel representing the Company, it believes there is no liability which would devolve over the Company in respect of such cases and believes its position will be upheld in the jurisdictional authorities as at close of respective financial year. The Company has also filed some cases in nature of recovery suits, cases under Section 138 of the Negotiable Instrument Act, 1881, trademark infringement etc. The Company is pursuing these cases and have made adequate accrual for allowance for doubtful debts in respect of such cases, wherever considered necessary.

### Notes

- Claims / suits filed against the Company not acknowledged as debts which represents various legal cases filed against the company. The Company has disclaimed the liability and defending the action. The Company has been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statements.
- The Company is contesting the demands of income tax and sales tax, and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company financial position and results of operations.
- Contingencies in respect of input credit availed under GST relates to input availed by the Company in respect of earlier years paid to GST authorities during the previous year consequent to audit by the office of the commissioner central GST audit, Gurugram which is subject to assessment. The Company is pursuing these and as advised by its legal counsel believes its position would be accepted by the authorities and accordingly, no provision is required to be accrued in the financial statements.

### B. Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances March 31, 2023: INR 3,313.63 lacs and March 31, 2022: INR 5,335.20 lacs) excluding capital advances fully provided (refer note 11)	8,965.45	14,022.80
(ii) The Company has issued corporate guarantees to banks on behalf of and in respect of fund and non fund based credit facilities availed by its subsidiaries / group companies in accordance with the policy of the Company. (See also note 44)	3,798.60	8,303.26

The Company has other commitments, for purchase orders which are issued after considering requirements as per operating cycle for purchase of goods and services, in normal course of business.

### C. Undrawn committed borrowing facility

- The Company has availed working capital demand loan facility from Citibank N.A. amounting to INR 29,500 lacs (March 31, 2022: INR 29,500 lacs). This loan is secured by way of first pari passu charge on current assets (book debts), both present and future of the Company. An amount of INR 29,500 lacs (March 31, 2022 : INR 7,000 lacs) remains undrawn as at the year end.
- The Company has a secured working capital demand loan facility of INR 25,000 lacs (March 31, 2022: INR 25,000 lacs) from HDFC bank. This loan is secured by way of first pari passu charge on stock in trade and book debts of the Company. An amount of INR 25,000 lacs (March 31, 2022 : INR 2,500 lacs) remains undrawn as at the year end.

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- The Company has a secured working capital demand loan facility of INR 17,000 lacs (March 31, 2022: INR 17,000 lacs) from Kotak Mahindra bank. The loan is secured by the way of first pari-passu hypothecation charge on all existing and future current assets of the Company. An amount of INR 17,000 lacs (March 31, 2022: INR 7,000 lacs) remains undrawn during the year end.
- The Company has got sanctioned a secured working capital demand loan facility of INR 10,000 lacs (March 31, 2022: INR 10,000 lacs) from HDFC bank. An amount of INR 10,000 lacs (March 31, 2022 : INR 3,000 lacs) remains undrawn as at the year end.
- The company has got sanctioned of unsecured overdraft facility of INR 18,000 lacs from ICICI Bank (March 31, 2022: INR 6,000 lacs) for working capital requirement. An amount of INR 18,000 lacs (March 31, 2022: INR Nil lacs) remains undrawn during the year end.
- The Company has availed working capital demand loan facilities from HDFC Bank amounting to INR 3,000 lacs secured by 110% margin of lien on bank approved mutual funds. The Company has complied with all the debt covenants. An amount of INR 3,000 lacs (March 31, 2022: INR 3,000 lacs) remains undrawn as at year end.
- The Company has availed working capital facility from HDFC Bank amounting to INR 1,000 lacs (March 31, 2022: INR 1,000 lacs) secured exclusive first charge on the current assets of the Company. The Company has complied with all the debt covenants. An amount of INR 1,000 lacs (March 31, 2022: INR 1,000 lacs) remains undrawn as at year end.

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

### 37 Government Grant

- Deferred government grant includes assistance in the form of duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on import of property, plant and equipment accounted for as government grant and being amortised over the period of contractual obligation.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Movement of government grant:		
Opening balance	1,522.55	653.37
Add: grant received during the year	737.62	907.64
Less: government grant income (refer note 28)	(242.92)	(38.46)
<b>Closing balance (refer note 24)</b>	<b>2,017.25</b>	<b>1,522.55</b>

- Government grant receivable includes assistance in the form of export incentives under Foreign Trade Policy and budgetary support in respect of GST paid as per the notification dated October 15, 2017, Ministry of Commerce & Industry Department of Industrial Policy and Promotions.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	3,076.13	6,761.18
Add: grant income accrued during the year (refer note 28)	3,375.34	3,727.98
Less: government grant income	(3,676.43)	(7,413.03)
<b>Closing balance (refer note 11(b))</b>	<b>2,775.04</b>	<b>3,076.13</b>



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 38 Gratuity and other post-employment benefit plans

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

#### a. Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

The Company's contribution to the Employees Provident Fund is deposited with the Regional Provident Fund Commissioner for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company recognised INR 7,758.78 lacs (March 31, 2022 : INR 6,543.02 lacs) towards Provident Fund, Employee State Insurance, National Pension Scheme and others contribution in the statement of profit and loss. The contribution payable to the plan by the Company is at the rate specified in rules to the scheme.

Hon'ble Supreme Court of India vide its judgement dated February 28, 2019 on Provident Fund required the Companies to include allowances for the purpose of PF contribution. Subsequently, the Company vide assessment letter no. 28212 dated 04 August 2020 received from Employees Provident Fund Organisation wherein the provident fund department has completed their assessment for FY 2015-16 to FY 2019-20. Hence, the Company is of the view, that there is no further liability on account of the Judgement.

#### b. Defined benefit plan – Gratuity plan

In accordance with the Payment of Gratuity Act of 1972, the Company contributes to a defined benefit plan ("the Gratuity Plan"). The gratuity plan provides a lump sum payment to vested employees at retirement, withdrawal, resignation and death of an employee. The gratuity liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed period/year of service subject to completion of four years and two forty days in service.

Based on actuarial valuations conducted as at year end, a provision is recognised in full for the benefit obligation over and above the funds held in the Gratuity Plan.

In accordance with Payment of Gratuity Act, 1972, the Company contributes to a defined benefit plan ("the gratuity plan") run by Mankind Pharma (P) Limited Employees Group Gratuity Trust, Lifestar Pharma Private Limited Employees' Group Gratuity Assurance Scheme and Magnet Labs Private Limited Employees' Group Gratuity Assurance Scheme ("the trusts"). The trusts has taken a Group Gratuity Scheme which is administered by Life Insurance Corporation ("LIC") of India and Bajaj Allianz Life Insurance Company Limited.

#### (i) Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are:- (i) investment risk, (ii) interest rate risk (discount rate risk), (iii) mortality risk and (iv) salary growth risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest rate risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.
Salary growth risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2023. The present value of defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

#### (ii) Principal actuarial assumptions:

Principle actuarial assumption used to determine the present value of the benefit obligation are as follows:

Particulars	Refer note below	As at March 31, 2023	As at March 31, 2022
(i) Discount rate (p.a.)	1	7.15%	6.30% to 6.95%
(ii) Rate of return on assets	2	7.40%	5.95% to 6.45%
(iii) Salary escalation rate (p.a.) - Office Staff	3	10% for year 2023 & 8.5% thereafter	8.00%
- Field Staff	3	7.00%	5.00% - 6.00%

#### Notes

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

#### (iii) Demographic assumptions:

Particulars	March 31, 2023	March 31, 2022
Retirement age	60 Years	60 Years
Mortality rate	(100% of IALM 12-14) Ultimate	(100% of IALM 12-14) Ultimate
Average outstanding service of employee up to retirement (years)	8.56	8.33
Attrition rate		
- Service up to 5 years : Field Staff	21%	20% to 33%
: Office Staff	22%	Nil to 22%
- Service above 5 years : Field Staff	8%	8% to 15%
: Office Staff	6%	3% to 7%

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements:

#### a. Amounts recognised in the statement of profit and loss in respect of these defined benefits plans are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	1,171.39	1,077.68
Past service cost	-	(18.07)
Net interest expenses	468.07	394.44
<b>Components of defined benefit costs recognised in statement of profit and loss</b>	<b>1,639.46</b>	<b>1,454.05</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### b. Remeasurement (gain)/ loss recognised in other comprehensive income/(loss) :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Actuarial (gains)/losses due to change in demographic assumptions	(40.02)	(62.46)
Actuarial (gains)/losses due to change in financial assumptions	646.76	(590.75)
Actuarial (gains)/losses due to change in experience variance	820.97	612.40
Actuarial (gains)/losses due to change in plan assets	(644.51)	184.71
<b>Component of defined benefit costs recognised in other comprehensive income</b>	<b>783.20</b>	<b>143.90</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in the other comprehensive income.

### c. Net defined benefit asset/ (liability) recognised in the balance sheet :

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	11,289.06	9,276.37
Less : Fair value of plan assets	(2,401.93)	(1,879.24)
<b>Funded status - deficit</b>	<b>(8,887.13)</b>	<b>(7,397.13)</b>
Current portion	-	17.71
Non-current portion (refer note 22)	8,887.13	7,379.42

### d. Movement in the fair value of the defined benefit obligation

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening defined benefit obligation	9,276.37	8,674.45
Current service cost	1,171.39	1,077.68
Past Service Cost	-	(18.07)
Interest cost	607.12	517.47
Actuarial (gain)/loss on obligation	1,427.71	(40.81)
Acquisition/Divestiture	(50.66)	(0.36)
Benefits paid	(1,142.87)	(933.99)
<b>Closing defined benefit obligations</b>	<b>11,289.06</b>	<b>9,276.37</b>

### e. Movement in the fair value of the plan assets are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening fair value of plan assets	1,879.24	1,949.84
Expected return on plan assets	139.05	123.03
Contributions received	882.00	925.07
Benefits paid	(1,142.87)	(933.99)
Actuarial gain / (loss)	644.51	(184.71)
<b>Closing fair value of plan assets</b>	<b>2,401.93</b>	<b>1,879.24</b>

## Notes to the standalone financial statements

for the year ended March 31, 2023

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The plan assets of the Company managed through trusts namely Mankind Pharma (P) Limited Employees Group Gratuity Trust, Lifestar Pharma Private Limited Employees' Group Gratuity Assurance Scheme and Magnet Labs Private Limited Employees' Group Gratuity Assurance Scheme ("the trusts"). The trusts have taken Group Gratuity Scheme which is administered by Life Insurance Corporation ("LIC") of India and Bajaj Allianz Life Insurance Company Limited. The plan assets of the Company are managed through the trusts. The details of investments relating to these assets are not shown by them. Hence, the composition of each major category of plan assets, the percentage or amount that each major category constitutes to the fair value of the total plan assets has not been disclosed.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Broad categories of plan assets as a percentage of total assets</b>		
Insurer managed funds	100.00%	100.00%
	<b>100.00%</b>	<b>100.00%</b>

### f. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period/year, while holding all other assumptions constant.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase / (Decrease)		Increase / (Decrease)	
Discount Rate (-/+0.5%) (% change compared to base due to sensitivity)	532.59	(492.58)	420.51	(391.77)
Salary Growth Rate (-/+0.5%) (% change compared to base due to sensitivity)	(462.11)	489.16	(372.86)	395.61

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit liability recognised in the Balance sheet.

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

### g. The expected maturity analysis of undiscounted defined benefit obligation is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Expected cash flows over the next</b>		
Within the next 12 months	1,095.80	871.47
Between 2 and 5 years	3,610.29	3,190.24
More than 5 years	4,368.32	3,614.29

h. Expected Company contributions for the next year

	1,406.50	1,172.23
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## Notes to the standalone financial statements

for the year ended March 31, 2023

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### Notes

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The compensated absences plan is unfunded.
- The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

### 39 Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022. Capital gearing ratio is net debt including lease liability divided by total capital plus net debt and Net debt is calculated as loans and borrowings less cash and cash equivalent. The Company's policy is to keep the gearing ratio below 10%.

The following table summarizes the capital structure of the Company:

Particulars	As at March 31, 2023	As at March 31, 2022
Debt including lease liability (a)	469.07	68,789.38
Cash and cash equivalents (Note 15) (b)	13,413.33	9,673.88
<b>Net debt (c = (a-b))</b>	<b>(12,944.26)</b>	<b>59,115.50</b>
Total Equity	7,78,391.10	6,54,045.28
<b>Capital and Net Debt</b>	<b>7,65,446.84</b>	<b>7,13,160.78</b>
<b>Gearing ratio (Net Debt/Capital and Net Debt)</b>	<b>(1.69%)</b>	<b>8.29%</b>

### 40 Financial Instruments

#### A. Financial risk management objective and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at March 31, 2023	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
<b>Financial assets</b>					
Investments	106,146.85	6,069.26	-	112,216.11	112,216.11
Trade receivables	-	-	49,264.15	49,264.15	49,264.15
Cash and cash equivalents	-	-	13,413.33	13,413.33	13,413.33
Other Bank balances	-	-	2,101.92	2,101.92	2,101.92
Loans	-	-	9,834.34	9,834.34	9,834.34
Other financial assets	-	-	8,908.61	8,908.61	8,908.61
<b>Total</b>	<b>106,146.85</b>	<b>6,069.26</b>	<b>83,522.35</b>	<b>195,738.46</b>	<b>195,738.46</b>
<b>Financial liabilities</b>					
Lease liabilities	-	-	469.07	469.07	469.07
Trade payables	-	-	80,196.47	80,196.47	80,196.47
Other financial liabilities	-	-	17,962.93	17,962.93	17,962.93
<b>Total</b>	<b>-</b>	<b>-</b>	<b>98,628.47</b>	<b>98,628.47</b>	<b>98,628.47</b>

As at March 31, 2022	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
<b>Financial assets</b>					
Investments	86,879.42	4,025.25	-	90,904.67	90,904.67
Trade receivables	-	-	47,058.85	47,058.85	47,058.85
Cash and cash equivalents	-	-	9,673.88	9,673.88	9,673.88
Other Bank balances	-	-	4,210.97	4,210.97	4,210.97
Loans	-	-	14,578.35	14,578.35	14,578.35
Other financial assets	-	-	2,444.85	2,444.85	2,444.85
<b>Total</b>	<b>86,879.42</b>	<b>4,025.25</b>	<b>77,966.90</b>	<b>168,871.57</b>	<b>168,871.57</b>
<b>Financial liabilities</b>					
Borrowings	-	-	68,366.19	68,366.19	68,366.19
Lease liabilities	-	-	423.19	423.19	423.19
Trade payables	-	-	92,128.76	92,128.76	92,128.76
Other financial liabilities	-	-	18,868.38	18,868.38	18,868.38
<b>Total</b>	<b>-</b>	<b>-</b>	<b>179,786.52</b>	<b>179,786.52</b>	<b>179,786.52</b>



## Notes to the standalone financial statements

for the year ended March 31, 2023

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### B. Fair value measurements

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, borrowings, other current financial assets, loans and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the other financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- 1) The fair value of unquoted instruments, loans from banks, other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- 2) The fair values of the Company's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.
- 3) Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 4) Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Financial assets	Fair value as at		Fair value hierarchy (Level)	Valuation techniques and key inputs
	As at March 31, 2023	As at March 31, 2022		
Investments in mutual funds	106,146.60	86,879.17	Level 1	see note i below
Investments- other	6,069.51	4,025.50	Level 3	see note ii below
Trade receivables	49,264.15	47,058.85	Level 3	see note ii below
Cash and cash equivalents	13,413.33	9,673.88	Level 1	
Other Bank balances	2,101.92	4,210.97	Level 1	
Loans	9,834.34	14,578.35	Level 3	see note ii below
Other financial assets	8,908.61	2,444.85	Level 3	see note ii below
<b>Total financial assets</b>	<b>195,738.46</b>	<b>168,871.57</b>		

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Financial liabilities	Fair value as at		Fair value hierarchy (Level)	Valuation techniques and key inputs
	As at March 31, 2023	As at March 31, 2022		
Borrowings	-	68,366.19	Level 3	see note ii below
Lease liabilities	469.07	423.19	Level 3	see note ii below
Trade payables	80,196.47	92,128.76	Level 3	see note ii below
Other financial liabilities	17,962.93	18,868.38	Level 3	see note ii below
<b>Total financial liabilities</b>	<b>98,628.47</b>	<b>179,786.52</b>		

### Notes

- i. Investment in mutual funds traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.
- ii. In the absence of observable inputs to measure fair value the assets and liabilities have been classified as level 3. The Company has not given further disclosures since the amount involved is not material.

The management considers that the carrying amounts of financial assets and financial liabilities having short term maturities recognised in the financial statement approximates their fair values.

### Risk management objectives

Risk management framework

The Company has exposure to the following risks arising from financial instruments:

- Market risk
- Liquidity risk
- Credit risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

### a) Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by

## Notes to the standalone financial statements

for the year ended March 31, 2023

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market risks include loans and borrowings, deposits, investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023 and March 31, 2022.

### (i) Price risk

The Company manages surplus funds through investments in mutual fund plans. The NAV declared by Asset Management Companies (AMC) has generally remained constant on the mutual fund plans taken by the Company. However, if the NAV of the fund is increased/decreased by 5%, the sensitivity analysis has been mentioned below:

Particulars	As at	Closing balance	Impact on profit or loss	
			5% increase	5% decrease
Investments in mutual funds (Impact on profit and loss)	March 31, 2023	106,146.60	5,307.33	(5,307.33)
Investments in mutual funds (Impact on profit and loss)	March 31, 2022	86,879.17	4,343.96	(4,343.96)

### (ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

#### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, JPY, NPR, AED, GBP & SGD exchange rates, with all other variables held constant. The impact on the Company profit before tax and equity is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

Nature	Currency	As at March 31, 2023		Impact on profit before tax and equity	
		Foreign Currency	Indian Rupees	1% increase	1% decrease
		in Lacs	in Lacs	in Lacs	in Lacs
Receivable	US Dollar (USD)	140.14	11,517.13	115.17	(115.17)
Payable	EUR O (EUR)	1.54	137.67	(1.38)	1.38
Payable	Swiss France (CHF)	0.08	7.62	(0.08)	0.08
Payable	US Dollar (USD)	21.86	1,796.46	(17.96)	17.96
Payable	British Pound Sterling (GBP)	0.12	12.22	(0.12)	0.12
Investment	US Dollar (USD)	264.01	18,445.27	184.45	(184.45)

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Nature	Currency	As at March 31, 2023		Impact on profit before tax and equity	
		Foreign Currency	Indian Rupees	1% increase	1% decrease
		in Lacs	in Lacs	in Lacs	in Lacs
Investment	Nepalese Rupee (NPR)	3,855.01	2,409.38	24.09	(24.09)
Investment	Singapore Dollar (SGD)	0.41	19.78	0.20	(0.20)
Investment	United Arab Emirates Dirham (AED)	246.00	5,017.79	50.18	(50.18)
Investment	British Pound Sterling (GBP)	20.00	2,007.70	20.08	(20.08)

Nature	Currency	As at March 31, 2022		Impact on profit before tax and equity	
		Foreign Currency	Indian Rupees	1% increase	1% decrease
		in Lacs	in Lacs	in Lacs	in Lacs
Receivable	US Dollar (USD)	217.13	16,456.83	164.57	(164.57)
Payable	EURO (EUR)	5.92	498.28	(4.98)	4.98
Payable	US Dollar (USD)	14.72	1,115.87	(11.16)	11.16
Payable	Japanese Yen (JPY)	13.95	8.67	(0.09)	0.09
Investment	US Dollar (USD)	204.01	15,462.43	154.62	(154.62)
Investment	Nepalese Rupee (NPR)	1,605.89	1,003.68	10.04	(10.04)
Investment	Singapore Dollar (SGD)	0.41	22.95	0.23	(0.23)
Investment	United Arab Emirates Dirham (AED)	246.00	5,076.21	50.76	(50.76)

### (iii) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the Company's fixed rate financial liabilities to interest rate risk is as follows:

Particulars	As at	Closing balance	Impact on profit or loss	
			1% increase	1% decrease
Borrowings (Impact on profit and loss)	March 31, 2023	-	-	-
Borrowings (Impact on profit and loss)	March 31, 2022	68,366.19	(683.66)	683.66

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### (iv) Commodity Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Company's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2023, the Company has not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

### b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits, mutual funds and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low. The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Financial liabilities	As at March 31, 2023		Total
	Less than 1 year	More than 1 year	
Lease liabilities	180.23	348.74	528.97
Trade payables	80,196.47	-	80,196.47
Others	17,962.93	-	17,962.93
	<b>98,339.63</b>	<b>348.74</b>	<b>98,688.37</b>
Financial liabilities	As at March 31, 2022		Total
	Less than 1 year	More than 1 year	
Borrowings	68,366.19	-	68,366.19
Lease liabilities	206.78	278.19	484.97
Trade payables	92,128.76	-	92,128.76
Others	18,868.38	-	18,868.38
	<b>179,570.11</b>	<b>278.19</b>	<b>179,848.30</b>

### c) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

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Possible credit risk	Credit risk management
Credit risk related to trade receivables and loans	<p>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 and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The loans advanced by the Company carries interest and are granted after evaluating the purpose and credit worthiness of the counter party.</p> <p>Moreover, given the diverse nature of the Company's businesses trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of trade receivable on a % basis in any of the years indicated.</p> <p>Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.</p> <p>An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.</p>
Credit risk related to bank balances	<p>Company holds bank balances with reputed and creditworthy banking institution within the approved exposures limit of each bank. None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in mutual funds, bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.</p> <p>The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 is the carrying amounts. The Company's maximum exposure relating to financial instrument is noted in liquidity table below.</p>

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.



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Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)</b>		
Cash and cash equivalents	13,413.33	9,673.88
Other Bank balances	2,101.92	4,210.97
Loans	9,834.34	14,578.35
Other financial assets (current and non-current)	8,908.61	2,444.85
<b>Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)</b>		
Trade receivables	49,264.15	47,058.85

Credit risk related to investments	The Company has made investments in highly liquid public sector mutual funds to meet their short term liquidity objectives. The Company analyses the credit worthiness of the party before investing their funds.  The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.
Other credit risk	The Company is exposed to credit risk in relation to loans and financial guarantees given to/ on behalf of subsidiaries/ associate companies.

### 41 Segment Information

#### 41.1 Description of Segment and principal activities

As per Ind AS-108, "Operating Segment" ( specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act ) the Company's chief operating decision maker, i.e. Managing Director ('CODM') has identified pharmaceuticals and other related products as the reportable segments.

Since the company is having only one reportable segment hence disclosure requirement as per Ind AS 108 is not applicable.

#### 41.2 Geographical Information

The following table provides an analysis of the Company's sales by region in which the customer is located, irrespective of the origin of the goods.

Particulars	Revenue from operations				Non-current assets*	
	Revenue from contracts with customers		Other operating revenues		Year ended March 31, 2023	Year ended March 31, 2022
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022		
Within India	7,94,105.51	7,29,119.86	657.83	-	3,68,420.52	3,38,152.65
Outside India	17,951.98	19,502.33	-	-	-	-
<b>Total</b>	<b>8,12,057.49</b>	<b>7,48,622.19</b>	<b>657.83</b>	<b>-</b>	<b>3,68,420.52</b>	<b>3,38,152.65</b>

\*Non-Current assets for this purpose excludes non-current investments, non-current financial assets and income tax assets (net).

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All amounts are in INR lacs unless otherwise stated

**41.3** No single customer has accounted for more than 10% of the Company's revenue for the year ended March 31, 2023 and March 31, 2022.

### 42 Related party disclosures

List of related parties and relationships

#### i. List of related parties

Subsidiaries	Shree Jee Laboratory Private Limited Lifestar Pharma LLC Mankind Pharma Pte Limited Medipack Innovations Private Limited Broadway Hospitality Services Private Limited Pavi Buildwell Private Limited Prolijune Lifesciences Private Limited Jaspack Industries Private Limited Packtime Innovations Private Limited Mahananda Spa and Resorts Private Limited Relax Pharmaceuticals Private Limited Copmed Pharmaceuticals Private Limited Vetbesta Labs (Partnership firm) Mediforce Healthcare Private Limited JPR Labs Private Limited Appian Properties Private Limited Pharma Force Lab (Partnership firm) Pharmaforce Excipients Private Limited Penta Latex LLP (Limited liability partnership firm) Mankind Specialities (Partnership firm) North East Pharma Pack (Partnership firm) Superba Warehousing LLP (Limited liability partnership firm) Mankind Prime Labs Private Limited Lifestar Pharmaceuticals Private Limited Mediforce Research Private Limited Qualitek Starch Private Limited Appify Infotech LLP (Limited liability partnership firm) (w.e.f. 01.10.2021) Mankind Consumer Healthcare Private Limited Mankind Pharma FZ LLC Mankind Life Sciences Private Limited (w.e.f. 06.09.2021) Mankind Agritech Private Limited (w.e.f. 06.04.2022) Upakarma Ayurveda Private Limited (w.e.f. 09.11.2022)
Joint Ventures	Superba Developers (Partnership firm) Superba Buildwell (South) (Partnership firm) Superba Buildwell (Partnership firm)

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### Associates

ANM Pharma Private Limited  
Sirmour Remedies Private Limited  
Om Sai Pharma Pack (Partnership firm) (upto 30.11.2021)  
J.K Print Pack (Partnership firm)  
A. S. Packers (Partnership firm)  
N.S. Industries (Partnership firm)

### Key Management Personnel (KMP)

#### Chairman and Whole Time Director

Ramesh Juneja

#### Vice Chairman and Managing Director

Rajeev Juneja

#### Chief Executive Officer and Whole Time Director

Sheetal Arora

#### Whole Time Directors

Satish Kumar Sharma

#### Non- Executive Directors

Prabha Arora (ceased to be a director w.e.f. 01.08.2022)

Leonard Lee Kim (ceased to be a director w.e.f. 09.05.2023)

Adheraj Singh (alternate to Leonard Lee Kim- ceased to be a director w.e.f. 09.05.2023)

#### Independent Directors

Surendra Lunia

T. P. Ostwal

Bharat Anand

Vijaya Sampath (w.e.f. 01.08.2022)

Vivek Kalra (w.e.f. 01.08.2022)

#### Chief Operating Officer

Arjun Juneja

#### Chief Financial Officer

Ashutosh Dhawan

#### Company Secretary

Pradeep Chugh

### Relatives of KMP (with whom transactions have taken place)

Eklavya Juneja

Chanakya Juneja

Anshul Sikri

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Others (with whom transactions have taken place) includes the following:

Enterprises in which relatives of directors are/or relatives of directors are interested

Alankrit Handicrafts Private Limited

A To Z Packers

JC Juneja Foundation

Indu Buildwell Private Limited

Next Wave (India)

Paonta Process Equipment

Print Man

Rashi Apparels Private Limited

Rashmi Exports Private Limited

Om Sai Pharma Pack (Partnership firm) (w.e.f. 01.12.2021)

Teen Murti Products Private Limited

Pathkind Diagnostics Private Limited

Ramesh Juneja Family Trust

Casablanca Securities Private Limited

Rajeev Juneja Family Trust

Prem Sheetal Family Trust

Intercity Corporate Towers LLP

Star infra Developers Private Limited

Appian Associates Infrastructure Private Limited

Gyan Infrastructure Company Private Limited

Mankind Biosys Private Limited

Appian Projects LLP (limited liability partnership firm)

Appian Buildwell LLP (limited liability partnership firm)

Appian Buildrise LLP (limited liability partnership firm)

Appian Buildheights LLP (limited liability partnership firm)

Ayushi and Poonam Estates LLP

Khaitan & Co. LLP

Post employment benefit plan for benefited employees

Mankind Pharma (P) Limited Employees' Group Gratuity Trust

Lifestar Pharma Private Limited Employees' Group Gratuity Assurance Scheme

Magnet Labs Private Limited Employees' Group Gratuity Assurance Scheme

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### ii. Transactions occurred during the year

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>1 Sale of products</b>												
Mankind Life Sciences Private Limited	112.60	1,074.71	-	-	-	-	-	-	-	-	112.60	1,074.71
Mankind Prime Labs Private Limited	447.70	-	-	-	-	-	-	-	-	-	447.70	-
Intercity Corporate Towers LLP	-	-	-	-	-	-	0.57	-	-	-	-	0.57
Star infra Developers Private Limited	-	-	-	-	-	-	0.30	-	-	-	-	0.30
Lifestar Pharma LLC	8,446.75	11,259.03	-	-	-	-	-	-	-	-	8,446.75	11,259.03
Mankind Pharma FZ LLC	479.38	-	-	-	-	-	-	-	-	-	479.38	-
JC Juneja Foundation	-	-	-	-	-	-	1.30	-	-	-	1.30	-
Pathkind Diagnostics Private Limited	-	-	-	-	-	-	0.64	1.64	-	-	0.64	1.64
	<b>9,486.43</b>	<b>12,333.74</b>	-	-	-	-	<b>1.94</b>	<b>2.51</b>	-	-	<b>9,488.37</b>	<b>12,336.25</b>
<b>2 Sale of services</b>												
Mankind Prime Labs Private Limited	926.35	804.80	-	-	-	-	-	-	-	-	926.35	804.80
Mankind Life Sciences Private Limited	277.23	93.26	-	-	-	-	-	-	-	-	277.23	93.26
Shree Jee Laboratory Private Limited	2,276.91	2,247.78	-	-	-	-	-	-	-	-	2,276.91	2,247.78
JPR Labs Private Limited	162.94	539.88	-	-	-	-	-	-	-	-	162.94	539.88
Copmed Pharmaceuticals Private Limited	2.80	2.48	-	-	-	-	-	-	-	-	2.80	2.48
J.K Print Pack	-	-	24.23	12.56	-	-	-	-	-	-	24.23	12.56
Mediforce Healthcare Private Limited	6.09	3.05	-	-	-	-	-	-	-	-	6.09	3.05
Relax Pharmaceuticals Private Limited	2.65	0.12	-	-	-	-	-	-	-	-	2.65	0.12
Sirmour Remedies Private Limited	-	-	7.10	3.44	-	-	-	-	-	-	7.10	3.44

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for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Next Wave (India)	-	-	-	-	-	-	0.25	0.07	-	-	0.25	0.07
Penta Latex LLP	2.49	-	-	-	-	-	-	-	-	-	2.49	-
Om Sai Pharma Pack	-	-	-	-	-	-	-	0.69	-	-	-	0.69
Mediforce Research Private Limited	14.80	-	-	-	-	-	-	-	-	-	14.80	-
Pharma Force Lab	21.49	21.21	-	-	-	-	-	-	-	-	21.49	21.21
Mankind Pharma FZ LLC	23.42	-	-	-	-	-	-	-	-	-	23.42	-
	<b>3,717.17</b>	<b>3,712.58</b>	<b>31.33</b>	<b>16.00</b>	-	-	<b>0.25</b>	<b>0.76</b>	-	-	<b>3,748.75</b>	<b>3,729.34</b>
<b>3 Sale of Raw Material/ Packing Material/ Scrap</b>												
JK Print Pack	-	-	66.90	5.21	-	-	-	-	-	-	66.90	5.21
Mediforce Healthcare Private Limited	50.15	5.94	-	-	-	-	-	-	-	-	50.15	5.94
Next Wave (India)	-	-	-	-	-	-	-	0.04	-	-	-	0.04
Pharma Force Lab	8.66	30.84	-	-	-	-	-	-	-	-	8.66	30.84
Pharmaforce Excipients Private Limited	0.04	-	-	-	-	-	-	-	-	-	0.04	-
Sirmour Remedies Private Limited	-	-	4.36	6.09	-	-	-	-	-	-	4.36	6.09
Relax Pharmaceuticals Private Limited	1.14	0.19	-	-	-	-	-	-	-	-	1.14	0.19
Copmed Pharmaceuticals Private Limited	55.81	38.25	-	-	-	-	-	-	-	-	55.81	38.25
Shree Jee Laboratory Private Limited	22.67	19.55	-	-	-	-	-	-	-	-	22.67	19.55
Medipack Innovations Private Limited	1.98	-	-	-	-	-	-	-	-	-	1.98	-
Lifestar Pharmaceuticals Private Limited	32.69	-	-	-	-	-	-	-	-	-	32.69	-
Packtime Innovations Private Limited	-	534.22	-	-	-	-	-	-	-	-	-	534.22
Verbesta Labs	1.31	-	-	-	-	-	0.63	-	-	-	1.31	-
A To Z Packers	-	-	-	-	-	-	-	-	-	-	-	0.63



# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Mediforce Research Private Limited	1.39	-	-	-	-	-	-	-	-	-	1.39	-
	175.84	628.99	71.26	11.30	-	-	0.63	0.04	-	-	247.73	640.33
<b>4 Rental income</b>												
Mankind Prime Labs Private Limited	2.70	0.72	-	-	-	-	-	-	-	-	2.70	0.72
Mankind Life Sciences Private Limited	18.76	4.82	-	-	-	-	-	-	-	-	18.76	4.82
	21.46	5.54	-	-	-	-	-	-	-	-	21.46	5.54
<b>5 Interest income on financial assets - loans</b>												
Broadway Hospitality Services Private Limited	229.25	-	-	-	-	-	-	-	-	-	229.25	-
Appian Properties Private Limited	-	7.10	-	-	-	-	-	-	-	-	-	7.10
Pavi Buildwell Private Limited	370.30	1.05	-	-	-	-	-	-	-	-	370.30	1.05
Shree Jee Laboratory Private Limited	234.48	956.64	-	-	-	-	-	-	-	-	234.48	956.64
JPR Labs Private Limited	317.41	131.09	-	-	-	-	-	-	-	-	317.41	131.09
Mankind Prime Labs Private Limited	0.79	275.79	-	-	-	-	-	-	-	-	0.79	275.79
Mankind Agritech Private Limited	0.21	-	-	-	-	-	-	-	-	-	0.21	-
	1,152.44	1,371.67	-	-	-	-	-	-	-	-	1,152.44	1,371.67
<b>6 Share in profit/ (loss) of partnership firms/ LLPs</b>												
Mankind Specialities	(99.27)	(120.87)	-	-	-	-	-	-	-	-	(99.27)	(120.87)
North East Pharma Pack	199.58	(10.65)	-	-	-	-	-	-	-	-	199.58	(10.65)
Penta Latex LLP	451.11	589.29	-	-	-	-	-	-	-	-	451.11	589.29
Superba Buildwell	-	-	-	-	165.11	149.18	-	-	-	-	165.11	149.18

# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Superba Buildwell (South)	-	-	-	-	162.58	148.55	-	-	-	-	162.58	148.55
Superba Developers	-	-	-	-	96.48	77.96	-	-	-	-	96.48	77.96
Superba Warehousing LLP	15.64	17.17	-	-	-	-	-	-	-	-	15.64	17.17
Appify Infotech LLP	(2.37)	6.20	-	-	-	-	-	-	-	-	(2.37)	6.20
Om Sai Pharma Pack	-	-	-	-	-	-	104.07	-	-	-	104.07	-
	564.69	481.14	-	-	424.17	375.69	-	104.07	-	-	988.86	960.90
<b>7 Sale of property, plant and equipment</b>												
Mankind Life Sciences Private Limited	13.20	-	-	-	-	-	-	-	-	-	13.20	-
Mankind Agritech Private Limited	12.38	-	-	-	-	-	-	-	-	-	12.38	-
J.K Print Pack	-	-	4.68	-	-	-	-	-	-	-	4.68	-
Pharma Force Lab	-	1.60	-	-	-	-	-	-	-	-	-	1.60
Lifestar Pharmaceuticals Private Limited	2.51	3.05	-	-	-	-	-	-	-	-	2.51	3.05
	28.09	4.65	4.68	-	-	-	-	-	-	-	32.77	4.65
<b>8 Purchase of goods (net)</b>												
A To Z Packers	-	-	-	-	-	-	937.45	867.13	-	-	937.45	867.13
A.S. Packers	-	-	1,226.89	1,287.78	-	-	-	-	-	-	1,226.89	1,287.78
ANM Pharma Private Limited	-	-	4,805.56	1,949.17	-	-	-	-	-	-	4,805.56	1,949.17
Copmed Pharmaceuticals Private Limited	30,598.01	35,707.10	-	-	-	-	-	-	-	-	30,598.01	35,707.10
J.K Print Pack	-	-	5,199.85	7,379.33	-	-	-	-	-	-	5,199.85	7,379.33
Mankind Life Sciences Private Limited	3.75	0.01	-	-	-	-	-	-	-	-	3.75	0.01
Mankind Consumer Healthcare Private Limited	5.33	-	-	-	-	-	-	-	-	-	5.33	-

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for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Mankind Specialities	295.63	391.70	-	-	-	-	-	-	-	-	295.63	391.70
Mediforce Healthcare Private Limited	7,289.77	10,351.98	-	-	-	-	-	-	-	-	7,289.77	10,351.98
Medipack Innovations Private Limited	1,060.02	1,555.78	-	-	-	-	-	-	-	-	1,060.02	1,555.78
N.S. Industries	-	-	709.25	730.61	-	-	-	-	-	-	709.25	730.61
Next Wave (India)	-	-	-	-	-	-	9,375.45	11,479.93	-	-	9,375.45	11,479.93
North East Pharma Pack	3,949.86	3,252.14	-	-	-	-	-	-	-	-	3,949.86	3,252.14
Om Sai Pharma Pack	-	-	-	-	-	-	-	4,388.72	-	-	-	4,388.72
Penta Latex LLP	14,006.27	15,180.63	-	-	-	-	-	-	-	-	14,006.27	15,180.63
Pharma Force Lab	18,266.86	21,818.94	-	-	-	-	-	-	-	-	18,266.86	21,818.94
Pharmaforce Excipients Private Limited	72.84	-	-	-	-	-	-	-	-	-	72.84	-
Print Man	-	-	-	-	-	-	106.13	142.08	-	-	106.13	142.08
Relax Pharmaceuticals Private Limited	15,463.02	21,151.99	-	-	-	-	-	-	-	-	15,463.02	21,151.99
Shree Jee Laboratory Private Limited	18,782.34	19,076.61	-	-	-	-	-	-	-	-	18,782.34	19,076.61
Sirmour Remedies Private Limited	-	-	9,001.01	8,725.45	-	-	-	-	-	-	9,001.01	8,725.45
Vetbesta Labs	3,494.53	3,333.14	-	-	-	-	-	-	-	-	3,494.53	3,333.14
JPR Labs Private Limited	402.80	564.49	-	-	-	-	-	-	-	-	402.80	564.49
Upakarma Ayurveda Private Limited	1.49	-	-	-	-	-	-	-	-	-	1.49	-
Packtime Innovations Private Limited	928.84	990.45	-	-	-	-	-	-	-	-	928.84	990.45
	<b>114,621.36</b>	<b>133,374.96</b>	<b>20,942.56</b>	<b>20,072.34</b>	-	-	<b>10,419.03</b>	<b>16,877.86</b>	-	-	<b>145,982.95</b>	<b>170,325.16</b>
<b>9 Purchase of property, plant and equipment</b>												
Paonta Process Equipment	-	-	-	-	-	-	-	-	-	-	-	0.09
Appify Infotech LLP	-	600.00	-	-	-	-	-	-	-	-	-	600.00

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for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Shree Jee Laboratory Private Limited	6.08	-	-	-	-	-	-	-	-	-	6.08	-
	<b>6.08</b>	<b>600.00</b>	-	-	-	-	-	<b>0.09</b>	-	-	<b>6.08</b>	<b>600.09</b>
<b>10 Purchase of services</b>												
Lifestar Pharma LLC	2,564.20	1,684.07	-	-	-	-	-	-	-	-	2,564.20	1,684.07
Copmed Pharmaceuticals Private Limited	836.17	494.66	-	-	-	-	-	-	-	-	836.17	494.66
J/K Print Pack	-	-	4.51	-	-	-	-	-	-	-	4.51	-
Shree Jee Laboratory Private Limited	-	1,777.55	-	-	-	-	-	-	-	-	-	1,777.55
Relax Pharmaceuticals Private Limited	17.34	15.08	-	-	-	-	-	-	-	-	17.34	15.08
Sirmour Remedies Private Limited	-	-	128.45	161.89	-	-	-	-	-	-	128.45	161.89
Teen Murti Products Private Limited	-	-	-	-	-	-	413.87	53.22	-	-	413.87	53.22
Broadway Hospitality Services Private Limited	1.34	1.87	-	-	-	-	-	-	-	-	1.34	1.87
Mediforce Research Private Limited	30.13	1.20	-	-	-	-	-	-	-	-	30.13	1.20
Pathkind Diagnostics Private Limited	-	-	-	-	-	-	27.20	8.18	-	-	27.20	8.18
Khaitan & Co. LLP	-	-	-	-	-	-	39.30	114.31	-	-	39.30	114.31
Medipack Innovations Private Limited	-	0.30	-	-	-	-	-	-	-	-	-	0.30
	<b>3,449.18</b>	<b>3,974.73</b>	<b>132.96</b>	<b>161.89</b>	-	-	<b>480.37</b>	<b>175.71</b>	-	-	<b>4,062.51</b>	<b>4,312.33</b>
<b>11 Rent expense</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	-	-	348.87	483.26	-	-	348.87	483.26
Projjune Lifesciences Private Limited	156.51	149.43	-	-	-	-	-	-	-	-	156.51	149.43
Superba Buildwell	-	-	-	-	479.41	479.41	-	-	-	-	479.41	479.41
Superba Buildwell(South)	-	-	-	-	237.24	224.76	-	-	-	-	237.24	224.76

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for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Superba Developers	-	-	-	-	268.78	254.67	-	-	-	-	268.78	254.67
Superba Warehousing LLP	82.86	78.54	-	-	-	-	-	-	-	-	82.86	78.54
	239.37	227.97	-	-	985.43	958.84	483.26	-	-	-	1,573.67	1,670.07
<b>12 Reimbursement of expenses paid</b>												
Copmed Pharmaceuticals Private Limited	8.48	25.00	-	-	-	-	-	-	-	-	8.48	25.00
Lifestar Pharma LLC	455.30	489.08	-	-	-	-	-	-	-	-	455.30	489.08
JPR Labs Private Limited	-	352.38	-	-	-	-	-	-	-	-	-	352.38
Relax Pharmaceuticals Private Limited	-	2.10	-	-	-	-	-	-	-	-	-	2.10
North East Pharma Pack	1,862.59	2,826.05	-	-	-	-	-	-	-	-	1,862.59	2,826.05
Mankind Pharma FZ LLC	11.86	26.11	-	-	-	-	-	-	-	-	11.86	26.11
Prem Kumar Arora	-	-	-	-	-	-	-	-	3.71	1.32	3.71	1.32
Ramesh Juneja	-	-	-	-	-	-	-	-	-	2.19	-	2.19
Rajeev Juneja	-	-	-	-	-	-	-	-	64.21	52.10	64.21	52.10
Sheetal Arora	-	-	-	-	-	-	-	-	35.76	4.11	35.76	4.11
Ajrun Juneja	-	-	-	-	-	-	-	-	13.47	4.58	13.47	4.58
Chanakya Juneja	-	-	-	-	-	-	-	-	0.11	2.26	0.11	2.26
Packtime Innovations Private Limited	868.40	-	-	-	-	-	-	-	-	-	868.40	-
	3,206.63	3,720.72	-	-	-	-	-	-	117.26	66.56	3,323.89	3,787.28
<b>13 Contribution to Gratuity Trust</b>												
Mankind Pharma (P) Limited Employees' Group Gratuity Trust	-	-	-	-	-	-	649.00	721.89	-	-	649.00	721.89
Lifestar Pharma Private Limited Employees' Group Gratuity Assurance Scheme	-	-	-	-	-	-	192.00	110.41	-	-	192.00	110.41

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for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Magnet Labs Private Limited Employees' Group Gratuity Assurance Scheme	-	-	-	-	-	-	41.00	92.77	-	-	41.00	92.77
	-	-	-	-	-	-	882.00	925.07	-	-	882.00	925.07
<b>14 Advances recoverable - Payments made by the entity on behalf of</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	-	-	0.83	0.21	-	-	0.83	0.21
Appian Properties Private Limited	17.88	5.25	-	-	-	-	-	-	-	-	17.88	5.25
Jaspack Industries Private Limited	2.94	47.21	-	-	-	-	-	-	-	-	2.94	47.21
Mahananda Spa and Resorts Private Limited	34.42	157.04	-	-	-	-	-	-	-	-	34.42	157.04
Pavi Buildwell Private Limited	0.11	0.07	-	-	-	-	-	-	-	-	0.11	0.07
Prolijune Lifesciences Private Limited	6.11	40.35	-	-	-	-	-	-	-	-	6.11	40.35
Star Infra Developers Private Limited	-	-	-	-	-	-	1.22	1.14	-	-	1.22	1.14
Appify Infotech LLP	2.93	8.00	-	-	-	-	0.07	0.05	-	-	2.93	8.00
Mankind Biosys Private Limited	-	-	-	-	-	-	0.05	0.05	-	-	0.05	0.05
Casablanca Pharma Private Limited	65.15	-	-	-	-	-	0.54	-	-	-	65.15	-
JPR Labs Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
Ayushi and Poonam Estates LLP	-	-	-	-	-	-	-	-	-	-	-	-
Mankind Consumer Healthcare Private Limited	0.05	-	-	-	-	-	-	-	-	-	0.05	-
	129.59	257.92	-	-	-	-	2.71	1.35	-	-	132.30	259.27
<b>15 Liability transferred to</b>												
Mankind Prime Labs Private Limited	33.88	-	-	-	-	-	-	-	-	-	33.88	-
Mankind Life Sciences Private Limited	15.20	-	-	-	-	-	-	-	-	-	15.20	-



# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Mankind Agritech Private Limited	4.86	-	-	-	-	-	-	-	-	-	4.86	-
	53.94	-	-	-	-	-	-	-	-	-	53.94	-
<b>16 Liability transferred from</b>												
Mankind Prime Labs Private Limited	6.23	-	-	-	-	-	-	-	-	-	6.23	-
Mankind Biosys Private Limited	-	-	-	-	1.18	-	-	-	-	-	1.18	-
Mankind Life Sciences Private Limited	2.47	-	-	-	-	-	-	-	-	-	2.47	-
Shree Jee Laboratory Private Limited	0.98	-	-	-	-	-	-	-	-	-	0.98	-
	9.68	-	-	-	1.18	-	-	-	-	-	10.86	-
<b>17 Assets transferred to</b>												
Mankind Life Sciences Private Limited	-	7.52	-	-	-	-	-	-	-	-	-	7.52
	-	7.52	-	-	-	-	-	-	-	-	-	7.52
<b>18 Loans given</b>												
JPR Labs Private Limited	3,500.00	-	-	-	-	-	-	-	-	-	3,500.00	-
	3,500.00	-	-	-	-	-	-	-	-	-	3,500.00	-
<b>19 Repayment of loan received</b>												
Pavi Buildwell Private Limited	3,013.31	-	-	-	-	-	-	-	-	-	3,013.31	-
Casablanca Securities Private Limited	-	-	-	-	-	-	3,510.92	-	-	-	-	3,510.92
Shree Jee Laboratory Private Limited	4,400.00	9,150.00	-	-	-	-	-	-	-	-	4,400.00	9,150.00
	7,413.31	9,150.00	-	-	-	-	3,510.92	-	-	-	7,413.31	12,660.92
<b>20 Capital contribution</b>												
Superba Buildwell	-	-	-	-	487.00	436.00	-	-	-	-	487.00	436.00
Superba Developers	-	-	-	-	1,119.00	629.00	-	-	-	-	1,119.00	629.00
Appify Infotech LLP	-	300.00	-	-	-	-	-	-	-	-	-	300.00

# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Penta Latex LLP	780.00	75.00	-	-	-	-	-	-	-	-	780.00	75.00
Lifestar Pharma LLC	4,894.80	-	-	-	-	-	-	-	-	-	4,894.80	-
	5,674.80	375.00	-	-	1,606.00	1,065.00	-	-	-	-	7,280.80	1,440.00
<b>21 Capital withdrawn</b>												
Penta Latex LLP	-	75.00	-	-	-	-	-	-	-	-	-	75.00
Superba Buildwell	-	-	-	-	216.00	178.00	-	-	-	-	216.00	178.00
Superba Buildwell (South)	-	-	-	-	258.60	175.00	-	-	-	-	258.60	175.00
Superba Developers	-	-	-	-	160.16	111.00	-	-	-	-	160.16	111.00
Superba Warehousing LLP	19.38	23.97	-	-	-	-	-	-	-	-	19.38	23.97
Om Sai Pharma Pack	-	-	-	-	-	-	1,167.20	-	-	-	-	1,167.20
	19.38	98.97	-	-	634.76	464.00	-	-	-	-	654.14	1,730.17
<b>22 Investment in shares</b>												
Jaspak Industries Private Limited	-	2,364.10	-	-	-	-	-	-	-	-	-	2,364.10
Mahananda Spa and Resorts Private Limited	9,500.00	9,900.00	-	-	-	-	-	-	-	-	9,500.00	9,900.00
Appian Properties Private Limited	-	2,300.00	-	-	-	-	-	-	-	-	-	2,300.00
Mankind Agritech Private Limited	3,450.00	-	-	-	-	-	-	-	-	-	3,450.00	-
Lifestar Pharmaceuticals Private Limited	1,409.38	600.00	-	-	-	-	-	-	-	-	1,409.38	600.00
Mankind Life Sciences Private Limited	8,200.00	5,151.00	-	-	-	-	-	-	-	-	8,200.00	5,151.00
Mankind Consumer Healthcare Private Limited	1,300.00	900.00	-	-	-	-	-	-	-	-	1,300.00	900.00
Mankind Prime Labs Private Limited	3,300.00	4,149.90	-	-	-	-	-	-	-	-	3,300.00	4,149.90
JPR Labs Private Limited	1,000.00	-	-	-	-	-	-	-	-	-	1,000.00	-
	28,159.38	25,365.00	-	-	-	-	-	-	-	-	28,159.38	25,365.00

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>23 Donations</b>												
JC Juneja Foundation	-	-	-	-	-	-	180.00	180.00	-	-	180.00	180.00
<b>24 Financial guarantees given</b>												
Packtime Innovations Private Limited	3,350.00	1,810.00	-	-	-	-	-	-	-	-	3,350.00	1,810.00
Copmed Pharmaceuticals Private Limited	-	4,400.00	-	-	-	-	-	-	-	-	-	4,400.00
Mankind Agritech Private Limited	2,500.00	-	-	-	-	-	-	-	-	-	2,500.00	-
Lifestar Pharma LLC	-	2,277.31	-	-	-	-	-	-	-	-	-	2,277.31
Mahananda Spa and Resorts Private Limited	2,000.00	-	-	-	-	-	-	-	-	-	2,000.00	-
	7,850.00	8,487.31	-	-	-	-	-	-	-	-	7,850.00	8,487.31
<b>25 Remuneration paid (Relatives of KMP)</b>												
Eklavya Juneja	-	-	-	-	-	-	-	-	31.16	97.63	31.16	97.63
Chanakya Juneja	-	-	-	-	-	-	-	-	39.09	39.09	39.09	39.09
	-	-	-	-	-	-	-	-	70.25	136.72	70.25	136.72
<b>26 Interest income - Others</b>												
North East Pharma Pack	22.24	33.34	-	-	-	-	-	-	-	-	22.24	33.34
Om Sai Pharma Pack	-	-	-	-	-	-	18.09	18.09	-	-	18.09	-
	22.24	33.34	-	-	-	-	18.09	18.09	-	-	40.33	33.34
<b>27 Sale of investment</b>												
Anshul Sikri	-	-	-	-	-	-	-	-	-	1,677.20	-	1,677.20
	-	-	-	-	-	-	-	-	-	1,677.20	-	1,677.20
<b>28 Director sitting fees</b>												
Surendra Lunia	-	-	-	-	-	-	-	-	14.00	6.80	14.00	6.80

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
T. P. Ostwal	-	-	-	-	-	-	-	-	10.00	6.00	10.00	6.00
Bharat Anand*	-	-	-	-	-	-	-	-	6.00	3.20	6.00	3.20
Vijaya Sampath	-	-	-	-	-	-	-	-	2.40	-	2.40	-
Vivek Kalra	-	-	-	-	-	-	-	-	2.40	-	2.40	-
	-	-	-	-	-	-	-	-	34.80	16.00	34.80	16.00
<b>29 Profit Commission</b>												
Surendra Lunia	-	-	-	-	-	-	-	-	18.00	18.00	18.00	18.00
T. P. Ostwal	-	-	-	-	-	-	-	-	30.00	25.00	30.00	25.00
Bharat Anand *	-	-	-	-	-	-	-	-	18.00	18.00	18.00	18.00
Vijaya Sampath	-	-	-	-	-	-	-	-	30.00	-	30.00	-
Vivek Kalra	-	-	-	-	-	-	-	-	25.00	-	25.00	-
	-	-	-	-	-	-	-	-	121.00	61.00	121.00	61.00
<b>30 Security deposits received</b>												
Mankind Prime Labs Private Limited	1.08	0.24	-	-	-	-	-	-	-	-	1.08	0.24
Mankind Life Sciences Private Limited	-	4.58	-	-	-	-	-	-	-	-	-	4.58
	1.08	4.82	-	-	-	-	-	-	-	-	1.08	4.82
<b>31 Reimbursement of expenses received</b>												
Mankind Specialities	-	2.60	-	-	-	-	-	-	-	-	-	2.60
	-	2.60	-	-	-	-	-	-	-	-	-	2.60
<b>32 Financial guarantees commission received</b>												
Packtime Innovations Private Limited	77.98	58.86	-	-	-	-	-	-	-	-	77.98	58.86
Copmed Pharmaceuticals Private Limited	26.40	26.40	-	-	-	-	-	-	-	-	26.40	26.40

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Mahananda Spa and Resorts Private Limited	1.32	-	-	-	-	-	-	-	-	-	1.32	-
Mankind Agritech Private Limited	4.28	-	-	-	-	-	-	-	-	-	4.28	-
JPR Labs Private Limited	21.00	21.00	-	-	-	-	-	-	-	-	21.00	21.00
Lifestar Pharma LLC	24.79	22.77	-	-	-	-	-	-	-	-	24.79	22.77
Shree Jee Laboratory Private Limited	9.00	9.00	-	-	-	-	-	-	-	-	9.00	9.00
ANM Pharma Private Limited	-	-	60.00	60.00	-	-	-	-	-	-	60.00	60.00
	<b>164.77</b>	<b>138.03</b>	<b>60.00</b>	<b>60.00</b>	-	-	-	-	-	-	<b>224.77</b>	<b>198.03</b>
<b>33 Other Income</b>												
Copmed Pharmaceuticals Private Limited	31.37	-	-	-	-	-	-	-	-	-	31.37	-
	<b>31.37</b>	-	-	-	-	-	-	-	-	-	<b>31.37</b>	-
<b>34 Interest Exp.</b>												
A To Z Packers	-	-	-	-	-	-	0.05	-	-	-	0.05	-
A.S. Packers	-	-	5.39	-	-	-	-	-	-	-	5.39	-
Vetbesta Labs	0.04	-	-	-	-	-	-	-	-	-	0.04	-
	<b>0.04</b>	-	<b>5.39</b>	-	-	-	<b>0.05</b>	-	-	-	<b>5.48</b>	-
<b>35 Security deposits received back</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	-	-	78.71	-	-	-	78.71	-
	-	-	-	-	-	-	<b>78.71</b>	-	-	-	<b>78.71</b>	-
<b>36 Security deposits Paid</b>												
Superba Developers	-	-	-	-	26.88	-	-	-	-	-	26.88	-
	-	-	-	-	<b>26.88</b>	-	-	-	-	-	<b>26.88</b>	-
<b>37 Loan Converted into Equity</b>												
JPR Labs Private Limited	5,000.00	-	-	-	-	-	-	-	-	-	5,000.00	-
	<b>5,000.00</b>	-	-	-	-	-	-	-	-	-	<b>5,000.00</b>	-

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>38 Reversal of provisions for doubtful loans</b>												
Casablanca Securities Private Limited	-	-	-	-	-	-	-	1,500.00	-	-	-	1,500.00
Pavi Buildwell Private Limited	3,100.00	-	-	-	-	-	-	-	-	-	3,100.00	-
	<b>3,100.00</b>	-	-	-	-	-	-	<b>1,500.00</b>	-	-	<b>3,100.00</b>	<b>1,500.00</b>
<b>39 Impairment on Investments</b>												
Appian Properties Private Limited	500.00	-	-	-	-	-	-	-	-	-	500.00	-
JPR Labs Private Limited	2,500.00	2,208.00	-	-	-	-	-	-	-	-	2,500.00	2,208.00
Mediforce Healthcare Private Limited	1,550.00	-	-	-	-	-	-	-	-	-	1,550.00	-
	<b>4,550.00</b>	<b>2,208.00</b>	-	-	-	-	-	-	-	-	<b>4,550.00</b>	<b>2,208.00</b>
<b>40 Share application money</b>												
Lifestar Pharmaceuticals Private Limited	400.00	-	-	-	-	-	-	-	-	-	400.00	-
	<b>400.00</b>	-	-	-	-	-	-	-	-	-	<b>400.00</b>	-

\*To be paid to M/s Khaitan & Co. LLP as per the declaration by Mr. Bharat Anand.



# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

## iii. Balances outstanding as at the year end

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>1 Trade receivables</b>												
J,K Print Pack	-	-	5.26	66.12	-	-	-	-	-	-	5.26	66.12
Mediforce Healthcare Private Limited	47.62	4.54	-	-	-	-	-	-	-	-	47.62	4.54
Mediforce Research Private Limited	13.73	1.39	-	-	-	-	-	-	-	-	13.73	1.39
Pharma Force Lab	17.84	7.77	-	-	-	-	-	-	-	-	17.84	7.77
Sirmour Remedies Private Limited	-	-	0.44	0.39	-	-	-	-	-	-	0.44	0.39
Next Wave (India)	-	-	-	-	-	-	39.60	0.08	-	-	39.60	0.08
Relax Pharmaceuticals Private Limited	0.19	-	-	-	-	-	-	-	-	-	0.19	-
Lifestar Pharmaceuticals Private Limited	42.52	3.77	-	-	-	-	-	-	-	-	42.52	3.77
Mankind Life Sciences Private Limited	95.38	1,302.06	-	-	-	-	-	-	-	-	95.38	1,302.06
Mankind Agritech Private Limited	19.75	-	-	-	-	-	-	-	-	-	19.75	-
Copmed Pharmaceuticals Private Limited	91.29	46.69	-	-	-	-	-	-	-	-	91.29	46.69
Mahananda Spa and Resorts Private Limited	1.49	-	-	-	-	-	-	-	-	-	1.49	-
Shree Jee Laboratory Private Limited	714.87	1,362.91	-	-	-	-	-	-	-	-	714.87	1,362.91
JPR Labs Private Limited	806.51	606.80	-	-	-	-	-	-	-	-	806.51	606.80
Lifestar Pharma LLC	9,125.79	14,174.27	-	-	-	-	-	-	-	-	9,125.79	14,174.27
Star infra Developers Private Limited	-	-	-	-	-	-	-	0.36	-	-	-	0.36
Mankind Prime Labs Private Limited	259.21	115.48	-	-	-	-	-	-	-	-	259.21	115.48
Packtime Innovations Private Limited	155.23	66.51	-	-	-	-	-	-	-	-	155.23	66.51
Pathkind Diagnostics Private Limited	-	-	-	-	-	-	1.84	1.54	-	-	1.84	1.54

# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Mankind Pharma FZ LLC	408.31	-	-	-	-	-	-	-	-	-	408.31	-
ANM Pharma Private Limited	-	-	67.80	-	-	-	-	-	-	-	67.80	-
Intercity Corporate Towers LLP	-	-	-	-	-	-	0.06	-	-	-	0.06	-
<b>11,799.73</b>	<b>17,692.19</b>	<b>73.50</b>	<b>66.51</b>	<b>1.98</b>	<b>41.50</b>	<b>44.41</b>	<b>1.98</b>	<b>1.98</b>	<b>11,914.73</b>	<b>17,760.68</b>		
<b>2 Trade payables</b>												
A To Z Packers	-	-	-	-	-	-	46.30	44.41	-	-	46.30	44.41
A.S. Packers	-	-	157.69	217.34	-	-	-	-	-	-	157.69	217.34
Appify Infotech LLP	-	348.00	-	-	-	-	-	-	-	-	-	348.00
ANM Pharma Private Limited	-	-	336.93	573.94	-	-	-	-	-	-	336.93	573.94
Copmed Pharmaceuticals Private Limited	4,732.96	5,462.69	-	-	-	-	-	-	-	-	4,732.96	5,462.69
J,K Print Pack	-	-	271.14	802.78	-	-	-	-	-	-	271.14	802.78
Superba Buildwell	-	-	-	-	6.70	-	-	-	-	-	6.70	-
Mankind Life Sciences Private Limited	19.07	-	-	-	-	-	-	-	-	-	19.07	-
Mankind Prime Labs Private Limited	31.58	-	-	-	-	-	-	-	-	-	31.58	-
Mediforce Healthcare Private Limited	834.03	1,214.91	-	-	-	-	-	-	-	-	834.03	1,214.91
Mediforce Research Private Limited	0.17	-	-	-	-	-	-	-	-	-	0.17	-
Mankind Agritech Private Limited	4.86	-	-	-	-	-	-	-	-	-	4.86	-
Mankind Consumer Healthcare Private Limited	6.29	-	-	-	-	-	-	-	-	-	6.29	-
Medipack Innovations Private Limited	190.53	243.84	-	-	-	-	-	-	-	-	190.53	243.84
N.S. Industries	-	-	136.94	140.63	-	-	-	-	-	-	136.94	140.63
Next Wave (India)	-	-	-	-	-	-	1,507.19	2,737.92	-	-	1,507.19	2,737.92
North East Pharma Pack	-	367.23	-	-	-	-	-	-	-	-	-	367.23
Penta latex LLP	852.92	1,053.12	-	-	-	-	-	-	-	-	852.92	1,053.12

# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Pharma Force Lab	2,299.24	1,948.13	-	-	-	-	-	-	-	-	2,299.24	1,948.13
Print Man	-	-	-	-	-	28.91	22.07	28.91	-	-	22.07	28.91
Relax Pharmaceuticals Private Limited	1,934.26	3,019.07	-	-	-	-	-	-	-	-	1,934.26	3,019.07
Shree Jee Laboratory Private Limited	2,951.25	3,343.73	-	-	-	-	-	-	-	-	2,951.25	3,343.73
Simour Remedies Private Limited	-	-	1,015.10	1,137.08	-	-	-	-	-	-	1,015.10	1,137.08
Teen Murti Products Private Limited	-	-	-	-	-	-	68.96	5.12	-	-	68.96	5.12
JPR Labs Private Limited	47.84	117.27	-	-	-	-	-	-	-	-	47.84	117.27
Lifestar Pharma LLC	-	1,075.35	-	-	-	-	-	-	-	-	-	1,075.35
Broadway Hospitality Services Private Limited	-	0.08	-	-	-	-	-	-	-	-	-	0.08
Vetbesta Labs	391.06	228.30	-	-	-	-	-	-	-	-	391.06	228.30
Pathkind Diagnostics Private Limited	-	-	-	-	-	-	6.94	0.95	-	-	6.94	0.95
Pharmaforce Excipients Private Limited	-	2.20	-	-	-	-	-	-	-	-	-	2.20
Upakarma Ayurveda Private Limited	0.83	-	-	-	-	-	-	-	-	-	0.83	-
Packtime Innovations Private Limited	11.95	85.58	-	-	-	-	-	-	-	-	11.95	85.58
<b>3 Other assets- Advance to vendors</b>	<b>14,308.84</b>	<b>18,509.50</b>	<b>1,917.80</b>	<b>2,871.77</b>	<b>6.70</b>	<b>2,817.31</b>	<b>1,651.46</b>	<b>2,817.31</b>	<b>-</b>	<b>-</b>	<b>17,884.80</b>	<b>24,198.58</b>
Mankind Specialities	247.57	270.11	-	-	-	-	-	-	-	-	247.57	270.11
Mankind Prime Labs Private Limited	-	172.44	-	-	-	-	-	-	-	-	-	172.44
Mankind Life Sciences Private Limited	-	7.52	-	-	-	-	-	-	-	-	-	7.52
JPR Labs Private Limited	-	65.69	-	-	-	-	-	-	-	-	-	65.69
Teen Murti Products Private Limited	-	-	-	-	-	5.16	-	5.16	-	-	-	5.16
Pathkind Diagnostics Private Limited	-	-	-	-	-	0.78	2.83	2.83	-	-	0.78	2.83
North East Pharma Pack	1,494.90	1,601.68	-	-	-	-	-	-	-	-	1,494.90	1,601.68
	<b>1,742.47</b>	<b>2,117.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.99</b>	<b>0.78</b>	<b>7.99</b>	<b>-</b>	<b>-</b>	<b>1,743.25</b>	<b>2,125.43</b>

# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>4 Trade/ security deposits received</b>												
Mankind Prime Labs Private Limited	1.08	0.24	-	-	-	-	-	-	-	-	1.08	0.24
Mankind Life Sciences Private Limited	4.58	4.58	-	-	-	-	-	-	-	-	4.58	4.58
	<b>5.66</b>	<b>4.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.66</b>	<b>4.82</b>
<b>5 Other financial assets: Security deposits</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	-	163.35	30.20	163.35	-	-	30.20	163.35
Superba Developers	-	-	-	-	139.08	112.20	-	-	-	-	139.08	112.20
Superba Buildwell (South)	-	-	-	-	193.20	193.20	-	-	-	-	193.20	193.20
Superba Buildwell	-	-	-	-	207.94	207.94	-	-	-	-	207.94	207.94
Prolijune Lifesciences Private Limited	29.04	29.04	-	-	-	-	-	-	-	-	29.04	29.04
	<b>29.04</b>	<b>29.04</b>	<b>-</b>	<b>-</b>	<b>540.22</b>	<b>513.34</b>	<b>30.20</b>	<b>163.35</b>	<b>-</b>	<b>-</b>	<b>599.46</b>	<b>705.73</b>
<b>6 Financial assets: Loans</b>												
Broadway Hospitality Services Private Limited	3,368.44	3,162.11	-	-	-	-	-	-	-	-	3,368.44	3,162.11
Shree Jee Laboratory Private Limited	1,820.34	6,009.30	-	-	-	-	-	-	-	-	1,820.34	6,009.30
Pavi Buildwell Private Limited	4,007.84	6,688.31	-	-	-	-	-	-	-	-	4,007.84	6,688.31
Mankind Prime Labs Private Limited	11.61	10.90	-	-	-	-	-	-	-	-	11.61	10.90
JPR Labs Private Limited	492.67	1,707.00	-	-	-	-	-	-	-	-	492.67	1,707.00
	<b>9,700.90</b>	<b>17,577.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,700.90</b>	<b>17,577.62</b>
<b>7 Financial assets: Investments</b>												
Jaspack Industries Private Limited	15,602.00	15,602.00	-	-	-	-	-	-	-	-	15,602.00	15,602.00
Mahananda Spa and Resorts Private Limited	43,338.46	33,338.46	-	-	-	-	-	-	-	-	43,338.46	33,338.46
Shree Jee Laboratory Private Limited	14,541.05	14,541.05	-	-	-	-	-	-	-	-	14,541.05	14,541.05
Appify Infotech LLP	297.56	300.00	-	-	-	-	-	-	-	-	297.56	300.00
Medipack Innovations Private Limited	306.00	306.00	-	-	-	-	-	-	-	-	306.00	306.00

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Lifestar Pharma LLC	18,445.27	13,550.47	-	-	-	-	-	-	-	-	18,445.27	13,550.47
Mankind Pharma Pte Limited	19.78	19.78	-	-	-	-	-	-	-	-	19.78	19.78
North East Pharma Pack	616.13	416.55	-	-	-	-	-	-	-	-	616.13	416.55
Penta Latex LLP	8,961.23	7,730.12	-	-	-	-	-	-	-	-	8,961.23	7,730.12
Superba Buildwell	-	-	-	-	2,184.74	1,748.63	-	-	-	-	2,184.74	1,748.63
Superba Buildwell (South)	-	-	-	-	2,624.74	2,720.76	-	-	-	-	2,624.74	2,720.76
Superba Developers	-	-	-	-	2,978.04	1,922.72	-	-	-	-	2,978.04	1,922.72
Superba Warehousing LLP	706.74	710.49	-	-	-	-	-	-	-	-	706.74	710.49
ANM Pharma Private Limited	-	-	78.56	78.56	-	-	-	-	-	-	78.56	78.56
Mankind Specialities	597.51	696.77	-	-	-	-	-	-	-	-	597.51	696.77
Broadway Hospitality Services Private Limited	551.38	551.38	-	-	-	-	-	-	-	-	551.38	551.38
Pavi Buildwell Private Limited	201.00	201.00	-	-	-	-	-	-	-	-	201.00	201.00
Prolijune lifesciences Private Limited	1,882.47	1,882.47	-	-	-	-	-	-	-	-	1,882.47	1,882.47
Appian Properties Private Limited	21,774.07	21,774.07	-	-	-	-	-	-	-	-	21,774.07	21,774.07
Mankind Agritech Private Limited	3,450.00	-	-	-	-	-	-	-	-	-	3,450.00	-
Copmed Pharmaceuticals Private Limited	19,247.16	19,247.16	-	-	-	-	-	-	-	-	19,247.16	19,247.16
Mediforce Healthcare Private Limited	5,779.90	5,779.90	-	-	-	-	-	-	-	-	5,779.90	5,779.90
Relax Pharmaceuticals Private Limited	11,321.10	11,321.10	-	-	-	-	-	-	-	-	11,321.10	11,321.10
Sirmour Remedies Private Limited	-	-	4,383.20	4,383.20	-	-	-	-	-	-	4,383.20	4,383.20
JPR Labs Private Limited	12,176.97	6,176.97	-	-	-	-	-	-	-	-	12,176.97	6,176.97
Lifestar Pharmaceuticals Private Limited	2,009.38	1,000.00	-	-	-	-	-	-	-	-	2,009.38	1,000.00
Mankind Life Sciences Private Limited	13,351.00	5,151.00	-	-	-	-	-	-	-	-	13,351.00	5,151.00
Mankind Consumer Healthcare Private Limited	2,200.00	900.00	-	-	-	-	-	-	-	-	2,200.00	900.00

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Mankind Pharma FZ LLC	5,017.79	5,017.79	-	-	-	-	-	-	-	-	5,017.79	5,017.79
Mankind Prime Labs Private Limited	7,450.00	4,150.00	-	-	-	-	-	-	-	-	7,450.00	4,150.00
<b>8 Financial assets: Impairment on Investments</b>	<b>209,843.95</b>	<b>170,364.53</b>	<b>4,461.76</b>	<b>4,461.76</b>	<b>7,787.52</b>	<b>6,392.11</b>	-	-	-	-	<b>222,093.23</b>	<b>181,218.40</b>
Mahananda Spa and Resorts Private Limited	2,076.60	2,076.60	-	-	-	-	-	-	-	-	2,076.60	2,076.60
Sirmour Remedies Private Limited	-	-	2,500.00	2,500.00	-	-	-	-	-	-	2,500.00	2,500.00
Appian Properties Private Limited	7,050.00	6,550.00	-	-	-	-	-	-	-	-	7,050.00	6,550.00
Mankind Specialities	201.70	201.70	-	-	-	-	-	-	-	-	201.70	201.70
Relax Pharmaceuticals Private Limited	5,000.00	5,000.00	-	-	-	-	-	-	-	-	5,000.00	5,000.00
Copmed Pharmaceuticals Private Limited	1,000.00	1,000.00	-	-	-	-	-	-	-	-	1,000.00	1,000.00
JPR Labs Private Limited	4,708.00	2,208.00	-	-	-	-	-	-	-	-	4,708.00	2,208.00
Mediforce Healthcare Private Limited	1,550.00	-	-	-	-	-	-	-	-	-	1,550.00	-
<b>9 Impairment of loan</b>	<b>21,586.30</b>	<b>17,036.30</b>	<b>2,500.00</b>	<b>2,500.00</b>	-	-	-	-	-	-	<b>24,086.30</b>	<b>19,536.30</b>
Pavi Buildwell Private Limited	-	3,100.00	-	-	-	-	-	-	-	-	-	3,100.00
<b>10 Financial guarantees given</b>	-	-	-	-	-	-	-	-	-	-	-	-
ANM Pharma Private Limited	-	-	10,000.00	10,000.00	-	-	-	-	-	-	10,000.00	10,000.00
Copmed Pharmaceuticals Private Limited	4,400.00	4,400.00	-	-	-	-	-	-	-	-	4,400.00	4,400.00
Packtime Innovations Private Limited	13,160.00	9,810.00	-	-	-	-	-	-	-	-	13,160.00	9,810.00
Lifestar Pharma LLC	2,465.42	2,277.31	-	-	-	-	-	-	-	-	2,465.42	2,277.31
Mankind Agritech Private Limited	2,500.00	-	-	-	-	-	-	-	-	-	2,500.00	-
Shree Jee Laboratory Private Limited	1,500.00	1,500.00	-	-	-	-	-	-	-	-	1,500.00	1,500.00



# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Subsidiaries		Associates		Joint ventures		Others		KMP/ Relative of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Mahananda Spa and Resorts Private Limited	2,000.00	-	-	-	-	-	-	-	-	-	2,000.00	-
JPR Labs Private Limited	3,500.00	3,500.00	-	-	-	-	-	-	-	-	3,500.00	3,500.00
<b>Other Receivables</b>	<b>29,525.42</b>	<b>21,487.31</b>	<b>10,000.00</b>	<b>10,000.00</b>	-	-	-	-	-	-	<b>39,525.42</b>	<b>31,487.31</b>
<b>11</b>												
Mankind Pharma FZ LLC	-	26.11	-	-	-	-	-	-	-	-	-	26.11
Om Sai Pharma Pack	-	-	-	-	176.65	400.60	-	-	-	-	176.65	400.60
<b>12 Commission payable</b>	<b>-</b>	<b>26.11</b>	<b>-</b>	<b>-</b>	<b>176.65</b>	<b>400.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>176.65</b>	<b>426.71</b>
<b>12</b>												
Surendra Lunia	-	-	-	-	-	-	17.64	16.20	-	-	17.64	16.20
Mr. T. P. Ostwal	-	-	-	-	-	-	28.08	22.50	-	-	28.08	22.50
Bharat Anand *	-	-	-	-	-	-	16.20	16.20	-	-	16.20	16.20
Vijaya Sampath	-	-	-	-	-	-	27.36	-	-	-	27.36	-
Vivek Kalra	-	-	-	-	-	-	22.86	-	-	-	22.86	-
<b>13 Other payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112.14</b>	<b>54.90</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>3.23</b>	<b>112.14</b>	<b>54.90</b>
<b>13</b>												
Prem Kumar Arora	-	-	-	-	-	-	0.06	0.10	-	-	0.06	0.10
Ramesh Juneja	-	-	-	-	-	-	-	2.19	-	-	-	2.19
Rajeev Juneja	-	-	-	-	-	-	-	0.69	-	-	-	0.69
Sheetal Arora	-	-	-	-	-	-	-	0.01	-	-	-	0.01
Chanakya Juneja	-	-	-	-	-	-	-	0.24	-	-	-	0.24
<b>14 Share application money pending allotment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>3.23</b>	<b>0.06</b>	<b>3.23</b>
<b>14</b>												
Lifestar Pharmaceuticals Private Limited	400.00	-	-	-	-	-	-	-	-	-	400.00	-
<b>Total</b>	<b>400.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400.00</b>	<b>-</b>

# Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

## iv. Disclosure required under Section 186 (4) of the Companies Act, 2013.

Particulars of Loans given	As at March 31, 2023			As at March 31, 2022		
	Loan given/ (repaid)	Outstanding Balance (net off provision of impairment)	Maximum amount outstanding	Loan given/ (repaid)	Outstanding Balance (net off provision of impairment)	Maximum amount outstanding
Broadway Hospitality Services Private Limited	-	3,368.44	3,368.44	-	3,162.11	3,162.11
Pavi Buildwell Private Limited	(3,013.31)	4,007.84	4,447.73	-	3,588.31	3,588.31
Shree Jee Laboratory Private Limited	(4,400.00)	1,820.34	6,009.30	(9,150.00)	6,009.30	14,391.23
Mankind Prime Labs Private Limited	-	11.61	11.61	-	10.90	10.90
JPR Labs Private Limited (refer note a)	3,500.00	492.67	5,492.67	-	1,707.00	1,707.00
Indu Buildwell Private Limited	-	-	-	(251.30)	-	271.06
<b>Total</b>	<b>(3,913.31)</b>	<b>9,700.90</b>	<b>19,329.75</b>	<b>(9,401.30)</b>	<b>14,477.62</b>	<b>23,130.61</b>

Particulars of Investments	As at March 31, 2023			As at March 31, 2022		
	Investments made/ (withdrawn)	Outstanding Balance	Maximum amount outstanding	Investments made/ (withdrawn)/ adjustments	Outstanding Balance	Maximum amount outstanding
Jaspack Industries Private Limited	-	15,602.00	15,602.00	-	15,602.00	15,602.00
Mahananda Spa and Resorts Private Limited	10,000.00	43,338.46	43,338.46	9,900.00	33,338.46	33,338.46
Shree Jee Laboratory Private Limited	-	14,541.05	14,541.05	-	14,541.05	14,541.05
Medipack Innovations Private Limited	-	306.00	306.00	-	306.00	306.00
Lifestar Pharma LLC	4,894.80	18,445.27	18,445.27	-	13,550.47	13,550.47
Mankind Pharma Pte Limited	-	19.78	19.78	-	19.78	19.78
North East Pharma Pack	199.58	616.13	616.13	(10.65)	416.55	427.20
Om Sai Pharma Pack	-	-	-	(2,307.53)	-	2,307.53
Penta Latex LLP	1,231.11	8,961.23	8,961.23	514.16	7,730.12	7,730.12

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars of Investments	As at March 31, 2023			As at March 31, 2022		
	Investments made/ (withdrawn)	Outstanding Balance	Maximum amount outstanding	Investments made/ (withdrawn)/ adjustments	Outstanding Balance	Maximum amount outstanding
Superba Buildwell	436.11	2,184.74	2,184.74	407.18	1,748.63	1,748.63
Superba Buildwell (South)	(96.02)	2,624.74	2,720.76	(26.45)	2,720.76	2,747.21
Superba Developers	1,055.32	2,978.04	3,025.02	595.95	1,922.72	1,922.72
Superba Warehousing LLP	(3.75)	706.74	710.49	(6.81)	710.49	717.30
ANM Pharma Private Limited	-	78.56	78.56	-	78.56	78.56
Mankind Specialities	(99.26)	597.51	696.77	(120.87)	696.77	817.64
Broadway Hospitality Services Private Limited	-	551.38	551.38	-	551.38	551.38
Pavi Buildwell Private Limited	-	201.00	201.00	-	201.00	201.00
Prolijune lifesciences Private Limited	-	1,882.47	1,882.47	-	1,882.47	1,882.47
Appian Properties Private Limited	-	21,774.07	21,774.07	2,300.00	21,774.07	21,774.07
Copmed Pharmaceuticals Private Limited	-	19,247.16	19,247.16	-	19,247.16	19,247.16
Mediforce Healthcare Private Limited	-	5,779.90	5,779.90	-	5,779.90	5,779.90
Relax Pharmaceuticals Private Limited	-	11,321.10	11,321.10	-	11,321.10	11,321.10
Sirmour Remedies Private Limited	-	4,383.20	4,383.20	-	4,383.20	4,383.20
JPR Labs Private Limited (refer note a)	1,000.00	12,176.97	12,176.97	-	6,176.97	6,176.97
Mankind Prime Labs Private Limited	3,300.00	7,450.00	7,450.00	4,149.90	4,150.00	4,150.00
Lifestar Pharmaceuticals Private Limited	1,009.38	2,009.38	2,009.38	600.00	1,000.00	1,000.00
Mankind Life Sciences Private Limited	8,200.00	13,351.00	13,351.00	5,151.00	5,151.00	5,151.00
Appify Infotech LLP	(2.44)	297.56	300.00	300.00	300.00	300.00
Mankind Consumer Healthcare Private Limited	1,300.00	2,200.00	2,200.00	900.00	900.00	900.00
Mankind Pharma FZ LLC	-	5,017.79	5,017.79	5,017.79	5,017.79	5,017.79
Mankind Agritech Private Limited	3,450.00	3,450.00	3,450.00	-	-	-
<b>Total</b>		<b>222,093.23</b>			<b>181,218.40</b>	

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars of Investments	As at March 31, 2023			As at March 31, 2022		
	Investments made/ (withdrawn)	Outstanding Balance	Maximum amount outstanding	Investments made/ (withdrawn)/ adjustments	Outstanding Balance	Maximum amount outstanding
Less : Provision for the impairment in the value of Investment		(24,086.30)			(19,536.30)	
<b>Total</b>		<b>198,006.93</b>			<b>161,682.10</b>	

### Note:

- a) During the year, the wholly owned subsidiary Company, JPR Labs Private Limited converted loan advanced amounting to INR 5,000 lacs to 91,97,940 equity shares of INR 10 each vide resolution of Board of Directors of the Company dated March 17, 2023 and resolution of Board of Directors of subsidiary Company dated March 18, 2023.

Financial guarantees given	As at March 31, 2023			As at March 31, 2022		
	Financial guarantees given/ (withdrawn)	Outstanding Balance	Maximum amount outstanding	Financial guarantees given/ (withdrawn)	Outstanding Balance	Maximum amount outstanding
ANM Pharma Private Limited	-	10,000.00	10,000.00	-	10,000.00	10,000.00
Packtime Innovations Private Limited	3,350.00	13,160.00	13,160.00	1,810.00	9,810.00	9,810.00
Shree Jee Laboratory Private Limited	-	1,500.00	1,500.00	-	1,500.00	1,500.00
JPR Labs Private Limited	-	3,500.00	3,500.00	-	3,500.00	3,500.00
Lifestar Pharma LLC (refer note a below)	188.11	2,465.42	2,465.42	2,277.31	2,277.31	2,277.31
Copmed Pharmaceuticals Private Limited	-	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00
Mahananda Spa and Resorts Private Limited	2,000.00	2,000.00	2,000.00	-	-	-
Mankind Agritech Private Limited	2,500.00	2,500.00	2,500.00	-	-	-
	<b>8,038.11</b>	<b>39,525.42</b>	<b>39,525.42</b>	<b>8,487.31</b>	<b>31,487.31</b>	<b>31,487.31</b>

### Note:

- a) During the current year, increase in financial guarantees on account of exchange fluctuations.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### v. Remuneration of KMP

The remuneration of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 Related Party disclosures:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits*	5,377.60	5,322.60
Commission	2,617.82	2,617.82
	<b>7,995.42</b>	<b>7,940.42</b>

\*Includes perquisites, allowance and bonus and does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

### Remuneration payable to KMP

Particulars	As at March 31, 2023	As at March 31, 2022
Remuneration payable to KMP	2,617.82	2,617.82

#### Note:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free except for the loans given which carry interest at arms length. The settlement for these balances occurs in cash. There have been no guarantees provided or received for any related party receivables or payables other than disclosed above. Further, the Company has not recorded any impairment of receivables relating to amounts owed by related parties other than those disclosed above. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

43 Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 as at the end of each accounting year		
Principal	2,555.85	4,251.04
Interest	36.08	27.09
(b) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	27.09	-
(c) 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 MSMED Act, 2006	-	-

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	36.08	27.09
(e) 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 section 23 of the MSMED Act, 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

### 44 Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its group companies.

Refer below for details of the financial guarantees issued:

Name of Company	Amount of Guarantee given		Amount of loan outstanding against guarantees		Purpose
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	
ANM Pharma Private Limited	10,000.00	10,000.00	376.03	464.26	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
Packtime Innovations Private Limited	13,160.00	9,810.00	-	3,350.00	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
Shree Jee Laboratory Private Limited	1,500.00	1,500.00	-	-	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
JPR Labs Private Limited	3,500.00	3,500.00	957.15	2,160.34	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
Copmed Pharmaceuticals Private Limited	4,400.00	4,400.00	-	51.35	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
Lifestar Pharma LLC	2,465.42	2,277.31	2,465.42	2,277.31	Extending fund based and non fund based credit facilities for working capital requirement.
Mankind Agritech Private Limited	2,500.00	-	-	-	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
Mahananda Spa and Resorts Private Limited	2,000.00	-	-	-	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
<b>Total</b>	<b>39,525.42</b>	<b>31,487.31</b>	<b>3,798.60</b>	<b>8,303.26</b>	



# Notes to the Standalone financial statements

for the year ended March 31, 2023  
All amounts are in INR lacs unless otherwise stated

## 45 Interest in other entities

### (a) Subsidiaries

The Company has following subsidiaries held directly and indirectly by the Company which operate and are incorporated around the world. Following are the details of shareholdings in the subsidiaries :

S. No.	Name of Company	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest	
					Ownership Interest held by the Company As at March 31, 2023	As at March 31, 2022
1	Broadway Hospitality Services Private Limited	Hospitality business	Mankind Pharma Limited	India	100.00%	100.00%
2	Shree Jee Laboratory Private Limited	Manufacturing of bulk drugs	Mankind Pharma Limited	India	100.00%	100.00%
3	Prolijune Lifesciences Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%
4	Pavi Buildwell Private Limited	Real estate business	Mankind Pharma Limited	India	100.00%	100.00%
5	Medipack Innovations Private Limited	Manufacturing of packing materials	Mankind Pharma Limited	India	51.00%	51.00%
6	Jaspack Industries Private Limited	Manufacturing of packing materials	Mankind Pharma Limited	India	100.00%	100.00%
7	Mahananda Spa and Resorts Private Limited	Hospitality business	Mankind Pharma Limited	India	100.00%	100.00%
8	Lifestar Pharma LLC	Trading of pharmaceutical and health care products	Mankind Pharma Limited	United States of America	90.00%	90.00%
9	Mankind Pharma Pte Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	Singapore	100.00%	100.00%
10	Packtime Innovations Private Limited	Manufacturing of packing materials	Jaspack Industries Private Limited	India	90.00%	90.00%
11	Mankind Specialities (partnership firm)	Manufacturing of consumer goods	Mankind Pharma Limited	India	98.00%	98.00%

# Notes to the Standalone financial statements

for the year ended March 31, 2023  
All amounts are in INR lacs unless otherwise stated

S. No.	Name of Company	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest	
					Ownership Interest held by the Company As at March 31, 2023	As at March 31, 2022
12	Appian Properties Private Limited	Core investment company	Mankind Pharma Limited	India	100.00%	100.00%
13	Relax Pharmaceuticals Private Limited	Manufacturing of pharmaceutical and health care products	Mankind Pharma Limited	India	63.00%	63.00%
14	Copmed Pharmaceuticals Private Limited	Manufacturing of pharmaceutical and health care products	Mankind Pharma Limited	India	63.00%	63.00%
15	Vetbesta Labs (partnership firm)	Manufacturing of pharmaceutical products for animals	Copmed Pharmaceuticals Private Limited	India	60.48%	60.48%
16	Mediforce Healthcare Private Limited	Manufacturing of pharmaceutical and health care products	Mankind Pharma Limited	India	62.98%	62.98%
17	JPR Labs Private Limited	Manufacturing of bulk drugs	Mankind Pharma Limited	India	100.00%	100.00%
18	Penta Latex LLP	Manufacturing of condoms	Mankind Pharma Limited	India	68.00%	68.00%
19	Pharma Force Labs (partnership firm)	Manufacturing of pharmaceutical and health care products	Appian Properties Private Limited	India	63.00%	63.00%
20	Mediforce Research Private Limited	Manufacturing of pharmaceutical and health care products	Mediforce Healthcare Private Limited	India	61.72%	61.72%
21	Pharmaforce Excipients Private Limited	Manufacturing of pharmaceutical and health care products	Appian Properties Private Limited	India	63.00%	63.00%

# Notes to the Standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

S. No.	Name of Company	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest	
					Ownership Interest held by the Company As at March 31, 2023	As at March 31, 2022
22	Qualitek Starch Private Limited	Manufacturing of pharmaceutical and health care products	Relax Pharmaceuticals Private Limited	India	60.39%	58.77%
23	Superba Warehousing LLP (partnership firm)	Leasing business	Mankind Pharma Limited	India	51.00%	51.00%
24	North East Pharma Pack (partnership firm)	Manufacturing of packing materials	Mankind Pharma Limited	India	57.50%	57.50%
25	Lifestar Pharmaceuticals Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	Nepal	85.00%	85.00%
26	Mankind Prime Labs Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%
27	Mankind Life Sciences Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%
28	Appify Infotech LLP	IT services	Mankind Pharma Limited	India	100.00%	100.00%
29	Mankind Consumer Healthcare Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%
30	Mankind Pharma FZ LLC	Export of pharmaceutical and health care products	Mankind Pharma Limited	United Arab Emirates	100.00%	100.00%
31	Mankind Agritech Private Limited	Manufacturing of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	-
32	Upakarma Ayurveda Private Limited	Manufacturing of packing materials ayurvedic products	Mankind Life Sciences Private Limited	India	90.00%	-

# Notes to the Standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

## (b) Interest in associates and joint ventures

Set out below are the associates and joint ventures of the Company as at March 31, 2023. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

S. No.	Associates	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest	
					Ownership Interest held by the Company As at March 31, 2023	As at March 31, 2022
1	ANM Pharma Private Limited	Manufacturing of bulk drugs	Mankind Pharma Limited	India	34.00%	34.00%
2	Sirmour Remedies Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	40.00%	40.00%
3	J. K. Print Packs (partnership firm)	Manufacturing of packing materials	Appian Properties Private Limited	India	33.00%	33.00%
4	A. S. Packers (partnership firm)	Manufacturing of packing materials	Appian Properties Private Limited	India	50.00%	50.00%
5	N. S. Industries (partnership firm)	Manufacturing of packing materials	Appian Properties Private Limited	India	48.00%	48.00%

S. No.	Joint ventures	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest	
					Ownership Interest held by the Company As at March 31, 2023	As at March 31, 2022
1	Superba Buildwell (partnership firm)	Leasing business	Mankind Pharma Limited	India	60.00%	60.00%
2	Superba Developers (partnership firm)	Leasing business	Mankind Pharma Limited	India	70.00%	70.00%
3	Superba Buildwell (South) (partnership firm)	Leasing business	Mankind Pharma Limited	India	70.00%	70.00%

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 46 Earnings per share

Basic earnings per share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per share has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

Particulars	Unit	Year ended March 31, 2023	Year ended March 31, 2022
Net profit after tax from operations	INR/ lacs	1,24,825.80	1,38,942.44
Weighted average number of equity shares outstanding during the year for basic earnings per share	Number	40,05,88,440	40,05,88,440
Weighted average number of equity shares outstanding during the year for diluted earnings per share	Number	40,05,91,307	40,05,88,440
Nominal Value of Equity Shares	INR	1.00	1.00
Basic earnings per share	INR	31.16	34.68
Diluted earnings per share	INR	31.16	34.68

### 47 Expenditure on Corporate Social Responsibility

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details are as under:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Details of CSR Expenditure:</b>		
Amount required to be spent as per section 135 of the Act (refer note (a) below)	3,278.46	2,652.78
Amount approved by the Board of respective Companies (Mankind Pharma Limited, Lifestar Pharma Private Limited and Magnet Labs Private Limited) to be spent during the year	3,278.46	2,858.80
Amount spent during the year on :		
(i) Construction/ acquisition of assets	-	-
(ii) On purpose other than above	2,002.35	2,858.80
Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
(i) Contribution to Charitable Trust	2,002.35	2,858.80
(ii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
<b>Total amount spent</b>	<b>2,002.35</b>	<b>2,858.80</b>
Add: Excess spent from previous year utilised during the current year	1,337.03	-
Less: Excess spent during the year to be carry forward (refer note (b) below)	(99.56)	(205.49)
Add: Provision for shortfall amount recognised during the current year (refer note (b) below)	38.64	-

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Total amount recognised in the statement of profit and loss</b>	<b>3,278.46</b>	<b>2,653.31</b>
<b>Disclosure for excess amount spent:</b>		
Opening Balance	1,337.03	1,131.54
Amount required to be spent during the year	(3,278.46)	(2,652.78)
Amount spent during the year	2,002.35	2,858.80
Provision for shortfall amount / (Excess spent during the year not to be carry forward) during the current year	38.64	(0.53)
<b>Closing Balance (Excess spent during the year to be carry forward)</b>	<b>99.56</b>	<b>1,337.03</b>

\*Approved by Board of Directors in its meeting held on May 30, 2023 to be carried forward to next year.

#### Note:

(a) The total CSR Obligation of the Company for the financial year 2022-23, is arrived at, by adding up the average net profits of the Company and that of the erstwhile wholly-owned subsidiaries of the Company; i.e. Lifestar Pharma Private Limited ("Lifestar") and Magnet Labs Private Limited ("Magnet"), which were merged with the Mankind Pharma Limited w.e.f. April 01, 2020, Total merged CSR Obligation of INR 3,278.46 was arrived at by adding up the CSR Obligation of the Company (INR 3,086.01 lacs), Lifestar (INR 141.24 lacs) and Magnet (INR 51.21 lacs).

(b) Excess of INR 99.56 lacs is on account of CSR Obligations of the Company i.e. Mankind Pharma Limited. The shortfalls in CSR expenditure is in respect of entities merged during the year, Lifestar (INR 37.43 lacs) and Magnet (INR 1.21 lacs) would be deposited by the Company in the funds and in accordance with the provisions specified in the Companies Act, 2013.

48 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

### 49 Scheme of Amalgamation

The Board of Directors of the Company, in its meeting held on May 20, 2021, approved the Scheme of Amalgamation between the Company ("Transferee Company") and its two wholly owned subsidiaries, Lifestar Pharma Private Limited ("Transferor Company-1") and Magnet Labs Private Limited ("Transferor Company-2") (Transferor Company-1 and Transferor Company-2 collectively referred as "Transferor Companies"), by way of and in accordance with a scheme of amalgamation ("the Scheme/Scheme") as per the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "Scheme"). The aforesaid Scheme was sanctioned by Hon'ble National Company Law Tribunal, New Delhi Bench (NCLT) vide its Order dated March 03, 2023. The order was filed with Registrar of Companies on March 30, 2023 ("effective date"), on which date, the transferor companies stood dissolved. There is no change in issued equity share capital (Promoter/ Public shareholding) of the Transferee Company, pursuant to the sanctioned Scheme, as no shares are being issued by the Transferee Company, in consideration of the sanctioned scheme.

Consequent to above, the entire business and whole of the Undertaking (including all assets, properties, titles, licenses, interests, investments, liabilities, rights, commitments and obligations) of the Transferor Companies, without any further act, instrument or deed, stood transferred to and vested in Transferee Company, as a going concern.

#### A. Rationale for Amalgamation

1. The amalgamation would result into reduction of inter company transactions inter-se between the Transferor Company 1, Transferor Company 2 and the Transferee Company.
2. The amalgamation of Companies will result in the consolidation of the value in Transferee Company and align the field-force and support functions in both Transferor companies with Transferee Company.



## Notes to the standalone financial statements

for the year ended March 31, 2023

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3. As a result of amalgamation, there would be reduction in number of the companies leading to reduction in compliance requirements.
4. The amalgamation will result in reduction in overheads, administrative, managerial and other expenditure, and optimal utilization of various resources due to consolidation of activities.
5. The amalgamation of the companies will lead to greater efficiency in cash management of the Transferee Company and access to cash flow generated by the combined business.

### B. Accounting Treatment:

The Transferee Company has accounted for such merger in accordance with "Pooling of interest method" of accounting as laid down in Appendix C of Ind AS-103 Business Combinations of entities under common control, notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as specified in the scheme.

Further, as per Paragraph 9 (iii) of Appendix C to Ind AS 103, the financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period. Accordingly, following treatment has been accounted for the merger by the company;

- (a) All assets and liabilities of the transferor Companies shall be recorded in the books of the Transferee Company at their respective carrying values.
- (b) The identity of the reserves of the Transferor Companies shall be preserved and shall be recorded in the financial statements of the Transferee Company in the same form and at carrying value as appearing in the financial statements of the Transferor Company.
- (c) The inter-company balances between Transferee Companies and Transferor Companies, if any, appearing in the books of the Transferee Company stood cancelled.
- (d) The value of Investments held by the Transferee Company in the Transferor Companies stood cancelled.
- (e) The deficit arising after taking the effect of clauses (a) to (d) has been adjusted in Revenue reserve in the financial statements of the Transferee Company and has been presented separately.
- (f) The Company has restated the financial information as if the business combination has occurred from the beginning of the preceding period in accordance with Appendix C to Ind-AS 103 - 'Business Combinations of entities under Common Control' and the schemes.

## Notes to the standalone financial statements

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- C. Details of assets and liabilities of transferor companies included in opening balance (i.e. April 01, 2021) of transferee company and consequential adjustment to Revenue reserve:

Particulars	Lifestar Pharma Private Limited (Transferor Company -1)		Magnet Labs Private Limited (Transferor Company -2)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Assets taken over</b>				
Property, plant and equipment	3,205.08	3,276.02	59.66	10.78
Goodwill	290.59	290.59	365.50	365.50
Other intangible assets	60.54	90.85	35.06	52.61
Other non-current financial assets	27.80	54.47	20.65	20.93
Deferred tax assets (net)	-	176.79	224.62	225.50
Income tax assets	2,553.39	408.80	-	-
Other non-current assets	3.25	3.25	451.26	451.26
Inventories	-	-	4,204.40	3,217.52
Current investments	34,399.91	30,773.59	13,702.34	9,405.70
Trade receivables	7,133.74	6,549.94	1,100.52	707.40
Cash and cash equivalents	3,544.34	1,459.16	628.00	918.96
Bank balance other than Cash and cash equivalents	2,393.13	4,385.04	-	1,045.40
Loans	3.16	1,739.57	-	0.92
Other current financial assets	54.45	92.67	14.13	14.13
Other current assets	770.13	1,598.25	1,020.26	725.04
<b>Total Assets (A)</b>	<b>54,439.51</b>	<b>50,898.99</b>	<b>21,826.40</b>	<b>17,161.65</b>
<b>Liabilities taken over</b>				
Non-current provisions	727.77	720.37	383.14	365.70
Deferred tax liabilities (net)	205.71	-	-	-
Trade payables	6,528.79	3,539.86	6,016.49	5,180.03
Other financial liabilities	77.21	94.45	489.00	477.85
Current provisions	996.08	2,971.52	1,141.68	1,032.03
Income tax liabilities	-	350.28	454.35	58.79
Other current liabilities	1,066.80	435.27	536.82	265.95
<b>Total Liabilities (B)</b>	<b>9,602.36</b>	<b>8,111.75</b>	<b>9,021.48</b>	<b>7,380.35</b>
<b>Reserves of the Transferor Companies</b>				
General reserve	1,120.00	1,120.00	2.69	2.69
Reserve and surplus	43,421.56	41,371.65	12,432.73	9,409.11
<b>Total Reserves (C)</b>	<b>44,541.56</b>	<b>42,491.65</b>	<b>12,435.42</b>	<b>9,411.80</b>
<b>Net Assets taken over (D) = (A) - (B) - (C)</b>	<b>295.59</b>	<b>295.59</b>	<b>369.50</b>	<b>369.50</b>
<b>Less: Investment in Lifestar Pharma Private Limited (Transferor Company -1)</b>	<b>(9,009.85)</b>	<b>(9,009.85)</b>	<b>-</b>	<b>-</b>
<b>Less: Investment in Magnet Labs Private Limited (Transferor Company -2)</b>	<b>-</b>	<b>-</b>	<b>(1,349.37)</b>	<b>(1,349.37)</b>
<b>Revenue reserve/ Retained earnings</b>	<b>(8,714.26)</b>	<b>(8,714.26)</b>	<b>(979.87)</b>	<b>(979.87)</b>

## Notes to the standalone financial statements

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### D. Reconciliation of other equity of merged financials of the Company as on April 01, 2022 and April 01, 2021.

Particulars	April 01, 2022	April 01, 2021
<b>Other equity of respective standalone entities</b>		
Mankind Pharma Limited	6,02,871.58	4,69,421.14
Lifestar Pharma Private Limited	44,541.56	42,491.65
Magnet Labs Private Limited	12,435.42	9,411.80
<b>Total</b>	<b>6,59,848.56</b>	<b>5,21,324.59</b>
<b>Less:</b>		
Adjustment to revenue reserve as per (c) above	(9,694.13)	(9,694.13)
Stock reserve	(115.03)	(454.11)
<b>Other equity as per merged financials</b>	<b>6,50,039.40</b>	<b>5,11,176.35</b>

50 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income- tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the year and expects such records to be in existence latest by such date as required under the law. The management is of the opinion that its transactions covered under transfer pricing regulations are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

51 During the year, the Company has capitalised following preoperative directly relatable to the cost of property, plant and equipment being expenses related to projects and developments, trial run. Consequently, expenses disclosed under the respective heads are net of amounts capitalised by the Company.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cost of materials consumed	59.14	61.85
Employee benefits expense	313.17	35.54
Other expenses	175.88	107.33
	<b>548.19</b>	<b>204.72</b>

52 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it come into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

### 53 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	2.48	1.68	47.52%	Refer note 1 below
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.00	0.11	(99.43%)	Refer note 2 below

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Remarks
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.21	3.32	(63.39%)	Refer note 3 below
Return on Equity ratio	Net Profits after taxes	Average Total Equity	17.43%	23.77%	(26.67%)	Refer note 4 below
Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.47	2.38	4.10%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	16.87	18.35	(8.04%)	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.02	3.88	(22.30%)	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	3.87	4.85	(20.08%)	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	15.36%	18.56%	(17.25%)	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Total equity + Total Borrowings + Total Lease liabilities + Deferred tax liabilities (net) - Deferred tax assets (net)	20.28%	26.41%	(23.23%)	
Return on Investment	Interest (Finance Income)	Investment	4.25%	4.34%	(2.10%)	

Notes:

Reason for change more than 25% :

1. Increase in current ratio in current year due to decrease in current liabilities primarily due to prepayment of borrowings.
2. The movement in current year is on account of decrease in debt resulting in decrease in Debt-equity ratio.
3. The movement in current year is on account of prepayment of borrowings.
4. The movement in current year is on account of increase in other equity on account of profits for the year.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 54 Transactions with struck-off Companies

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2023:

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions (INR in lacs)	Balance outstanding (INR in lacs)	Relationship with the Struck off company
Shrinath Products A Div. of Elmer Products Private Limited	Packing Material- Purchase	5.34	-	Not applicable

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2022:

Name of struck off Company	Nature of transactions with struck off Company	Amount of transactions (INR in lacs)	Balance outstanding (INR in lacs)	Relationship with the Struck off company
Shrinath Products A Div. of Elmer Products Private Limited	Packing Material- Purchase	6.23	0.85	Not applicable

### 55 Employee Share Based Payment

Employee Stock Option Scheme "ESOP-2022" was approved by our Board of Directors in their meeting held on July 19, 2022 and by our shareholders in their meeting dated August 9, 2022 respectively. Under ESOP-2022, Nomination and Remuneration Committee is authorised to grant 81,75,274 options to eligible employees in one more tranches. Options granted under ESOP-2022 shall not vest earlier than a minimum vesting period of one year and not later than a maximum vesting period of four years from date of grant. The exercise period in respect of vested options shall be subject to maximum period of five years commencing from the date of vesting. The options granted under ESOP-2022 carry no rights to dividends and no voting rights till the date of exercise.

The fair value of the share options is estimated at the grant date using Black- Scholes Model, taking into account the terms and conditions upon which the share options were granted.

The Company has recognised an expense of INR 5.91 lacs (March 31, 2022 : INR Nil) on grant of 10,46,512 ESOP granted during the year in accordance with Ind AS 102 "Share Based Payments". The carrying amount of Employee stock options outstanding reserve as at March 31, 2023 is INR 5.91 Lacs (March 31, 2022: INR Nil).

As at the end of the financial year, details and movements of the outstanding options are as follows:

#### (a) Scheme Name ESOP-2022

Particulars	As at March 31, 2023	Weighted average exercise price per share option (INR)	As at March 31, 2022	Weighted average exercise price per share option (INR)
Options outstanding at the beginning of the year	-	-	-	-
Options granted during the year	10,46,512.00	860.00	-	-
Options forfeited during the year	-	-	-	-
Options expired/lapsed during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options outstanding at the end of the year	10,46,512.00	860.00	-	-

No options expired during the periods covered in the above tables.

## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Vesting date	Exercise price (INR)	Share options March 31, 2023	Share options March 31, 2022
March 31, 2023	March 31, 2024	860.00	1,04,651	-
March 31, 2023	March 31, 2025	860.00	2,09,302	-
March 31, 2023	March 31, 2026	860.00	3,13,954	-
March 31, 2023	March 31, 2027	860.00	4,18,605	-

#### (b) For options outstanding at the end of the year:

Exercise price range	860.00	-
Weighted average remaining contractual life (in years)	4.00	-

#### (c) Fair value of options granted

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	ESOP-2022 March 31, 2023
Market Price (Rupees)	1,075.34
Dividend yield (%)	0.00%
Expected life (years)	3.51 - 6.51
Risk free interest rate (%)	7.15% - 7.17%
Volatility (%)	27.30% - 27.85%
Exercise Price (Rupees)	860.00
Vesting period	1 to 4 years
Fair value of shares on date of grant	541.15
Fair value of options	538.40

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The volatility is based on annualised standard deviation of the continuously compounded rates of return based on the peer companies and competitive stocks over a period of time. The Company has determined the market price on grant date based on latest equity valuation report available with the Company preceding the grant date.

### 56 Other Information

- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- The Company have not advanced or loaned or invested funds to any other person or 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 or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company have not received any fund from any person or 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 or on behalf of the Funding Party (Ultimate Beneficiaries) or



## Notes to the standalone financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (v) The Company have not 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 does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (vii) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- (viii) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 57** The figures have been rounded off to the nearest lacs of rupees up to two decimal places. The figure 0.00 wherever stated represents value less than INR 500/-.
- 58** Subsequent to the year ended March 31, 2023, the Company has completed its Initial Public Offer (IPO) of 4,00,58,844 equity shares of face value of INR 1 each at and issue price of INR 1,080 per share. The issue comprised of 100% offer for sale aggregating to INR 4,32,635.52 lacs. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 9, 2023.
- 59** Subsequent to the year end in the month of May 2023, the Income Tax Department ('the department') conducted a search under section 132 of the Income Tax Act, 1961 at Company's registered office, corporate office, few of its manufacturing locations and other premises and few of its group entities and residence of few of its employees/key managerial personnel. During the search proceedings, the Company has provided necessary information and responses to the department. Also, the department has taken certain documents, data backups and other information for further investigation. The business and operations of the Company continued without any disruptions and no demands have been raised on the Company as of date. Based on the foregoing and having regard to the matters of inquiry during the search proceedings stated above, management is of the view that no material adjustments are required to these standalone financial results in this regard.
- 60** Note 1 to 59 form integral part of the standalone balance sheet and standalone statement of profit and loss.

As per our report of even date

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
Firm Reg. no. 301003E/E300005

**For and on behalf of the Board of Directors of  
Mankind Pharma Limited**

**per Vishal Sharma**  
Partner  
Membership No. 096766

**Ramesh Juneja**  
Chairman and  
Whole Time Director  
DIN - 00283399

**Sheetal Arora**  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

**For Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
Firm Reg. No. 007895N

Place: New Delhi  
Date: May 30, 2023

Place: New Delhi  
Date: May 30, 2023

**per Mohit Gupta**  
Partner  
Membership No. 528337  
Place: New Delhi  
Date: May 30, 2023

**Pradeep Chugh**  
Company Secretary  
Membership No. ACS 18711  
Place: New Delhi  
Date: May 30, 2023

**Ashutosh Dhawan**  
Chief Financial Officer  
Place: New Delhi  
Date: May 30, 2023

## Independent Auditor's Report

To the Members of **Mankind Pharma Limited**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Mankind Pharma Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2023, their consolidated profit including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group, associates, joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the consolidated financial statements.

#### Emphasis of Matter: Income tax search

We draw attention to Note 62 of the consolidated financial statements relating to a search under Section 132 of the Income Tax Act, 1961 conducted by the Income Tax Department on the Holding Company's registered office, corporate office, few of its manufacturing locations and other premises and few of its group entities and residence of few of its employees/key managerial personnel.

Our opinion is not modified in respect of this matter.

#### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated 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 consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

#### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates

and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of their respective companies.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence

that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

#### Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 8 subsidiaries, whose financial statements include total assets of INR 92,004.67 lacs as at March 31, 2023, total revenues of INR 39,416.82 lacs and net cash outflows of INR 2,946.00 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of INR 1,150.48 lacs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 4 associates and 3 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have

audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The financial statements of 23 subsidiary companies, whose financial statements reflect total assets of INR 2,07,150.85 lacs as at March 31, 2023, total revenues of INR 1,66,036.50 lacs and net cash outflows amounting to INR 892.82 lacs for the year ended on that date, as considered in the consolidated financial statements have not been jointly audited by us and have been audited individually by one of the joint auditors of the Company, whose financial statement, other financial information and auditors report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the respective joint auditor.
- (c) The consolidated financial statements include the Group's share of net profit of INR 36.22 lacs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have not been jointly audited by us and have been audited by one of the joint auditors of the Company, whose financial statement have been furnished to us by the management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of such joint auditor.

- (d) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, whose financial statements and other financial information reflect total assets of INR 527.68 lacs as at March 31, 2023, and total revenues of INR 1,058.83 lacs and net cash inflows of INR 305.79 lacs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these

subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

- (e) The comparative financial information of the Group, its associates and joint ventures for the year ended March 31, 2022, included in these consolidated financial statements, have not been jointly audited by us and have been jointly audited by one of the current joint auditors of the Company i.e S.R.Batliboi & Co. LLP with the predecessor auditor i.e Goel Gaurav & Co. who expressed an unmodified opinion on those financial information on August 01, 2022.

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint ventures companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - We/the other auditors whose report we have relied upon have sought and obtained all the

information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- The matter described in 'Emphasis of Matter - Income tax search' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

- In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:
  - The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated financial statements – Refer Note 38A to the consolidated financial statements.
  - The Group, its associates and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2023.
  - a) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries,

associate and joint ventures respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associate and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, associate and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the Holding Company, its subsidiaries, associate and joint venture companies, incorporated in India.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India, hence reporting under this clause is not applicable.

**For S.R. Batliboi & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
301003E/E300005

**per Vishal Sharma**  
Partner  
Membership Number: 096766  
UDIN: 23096766BGYHUN5360

Place of Signature: New Delhi  
Date: May 30, 2023

**For Bhagi Bhardwaj Gaur & Co**  
Chartered Accountants  
ICAI Firm Registration Number:  
007895N

**per Mohit Gupta**  
Partner  
Membership Number: 528337  
UDIN: 23528337BGUNXG2264

Place of Signature: New Delhi  
Date: May 30, 2023

## Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

### Re: Mankind Pharma Limited ('the Company')

(XXI) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Mankind Pharma Limited	U74899DL1991PLC044843	Holding Company	i (c), ii, (b) iii (c), vii (a) and vii (b)
2	Copmed Pharmaceuticals Private limited	U74899DL1988PTC033151	Subsidiary	iii (c), vii (a) and vii (b),
3	JPR Labs Private Limited	U24232DL2010PTC365041	Subsidiary	ii (b), iii (c), vii (a)
4	Mediforce Healthcare Private Limited	U51397UP2001PTC025873	Subsidiary	iii (c), vii (a) and vii (b)
5	Medipack Innovations Private Limited	U28113DL2012PTC237207	Subsidiary	iii (c) and vii (a)
6	Relax Pharmaceuticals Private Limited	U24231UP1997PTC022390	Subsidiary	iii (c), vii (a) and vii (b)
7	Packtime Innovations Private Limited	U36912DL2015PTC281265	Subsidiary	ii (b) and xvii
8	Broadway Hospitality Services private limited	U55100DL2003PTC123280	Subsidiary	ix (d)
9	Mankind Agritech Private Limited	U24299DL2022PTC396241	Subsidiary	xvii
10	Mankind Consumer Healthcare Private Limited	U24230DL2021PTC388536	Subsidiary	xvii
11	Mankind Life Science Private Limited	U24100DL2020PTC369904	Subsidiary	xvii
12	Mankind Prime Labs Private Limited	U51909DL2020PTC370864	Subsidiary	xvii
13	Upakarma Ayurveda Private Limited	U36999DL2017PTC326510	Subsidiary	xvii
14	Qualitek Starch Private Limited	U15134HP2019PTC007684	Subsidiary	xvii
15	Sirmour Remedies Private Limited	U15311HP1989PTC009770	Associates	vii (b)

**For S.R. Batliboi & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
301003E/E300005

**per Vishal Sharma**  
Partner  
Membership Number: 096766  
UDIN: 23096766BGYHUN5360

Place of Signature: New Delhi  
Date: May 30, 2023

**For Bhagi Bhardwaj Gaur & Co**  
Chartered Accountants  
ICAI Firm Registration Number:  
007895N

**per Mohit Gupta**  
Partner  
Membership Number: 528337  
UDIN: 23528337BGUNXG2264

Place of Signature: New Delhi  
Date: May 30, 2023

## Annexure '2' to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Mankind Pharma Limited

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

In conjunction with our audit of the consolidated financial statements of Mankind Pharma Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , its associates and joint ventures, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, its associates and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or

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

### Opinion

In our opinion, the Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the

**For S.R. Batliboi & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
301003E/E300005

**per Vishal Sharma**  
Partner  
Membership Number: 096766  
UDIN: 23096766BGYHUN5360

Place of Signature: New Delhi  
Date: May 30, 2023

essential components of internal control stated in the Guidance Note issued by the ICAI

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to:

- 5 subsidiaries and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.
- 16 subsidiaries and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors, that have not been jointly audited by us and have been audited individually by one of the joint auditors of the Company, of such subsidiaries incorporated in India.

**For Bhagi Bhardwaj Gaur & Co**  
Chartered Accountants  
ICAI Firm Registration Number:  
007895N

**per Mohit Gupta**  
Partner  
Membership Number: 528337  
UDIN: 23528337BGUNXG2264

Place of Signature: New Delhi  
Date: May 30, 2023

# Consolidated Balance Sheet

as at March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	2,40,943.43	1,65,236.30
Capital work-in-progress	4	49,319.20	66,987.34
Investment properties	5	536.96	542.43
Goodwill	6	2,002.25	2,044.22
Other intangible assets	6	1,70,146.33	1,84,260.52
Intangible assets under development	6	5,695.36	3,159.79
Right-of-use assets	7	11,436.47	6,735.71
Investment in associates and joint ventures	8	18,141.12	16,774.28
Financial assets			
(i) Investments	9	8,953.73	6,726.50
(ii) Loans	18	-	2.88
(iii) Other financial assets	11	11,018.14	2,292.65
Income tax assets (net)	12	10,251.53	7,982.42
Deferred tax assets (net)	25	2,977.69	3,928.62
Other non-current assets	13	7,335.50	7,418.43
<b>Total non-current assets</b>		<b>5,38,757.71</b>	<b>4,74,092.09</b>
<b>Current assets</b>			
Inventories	14	1,49,845.82	1,76,023.81
Financial assets			
(i) Investments	10	1,07,547.41	87,446.18
(ii) Trade receivables	15	57,642.14	38,816.60
(iii) Cash and cash equivalents	16	30,482.07	30,253.47
(iv) Bank balances other than (iii) above	17	14,837.79	10,340.68
(v) Loans	18	163.26	119.44
(vi) Other financial assets	11	5,597.97	1,393.71
Other current assets	13	66,339.18	95,989.78
		<b>4,32,455.64</b>	<b>4,40,383.67</b>
Assets classified as held for sale	19	331.56	298.16
<b>Total current assets</b>		<b>4,32,787.20</b>	<b>4,40,681.83</b>
<b>Total assets</b>		<b>9,71,544.91</b>	<b>9,14,773.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	4,005.88	4,005.88
Other equity	21	7,39,516.40	6,11,517.33
<b>Equity attributable to equity holders of the parent</b>		<b>7,43,522.28</b>	<b>6,15,523.21</b>
Non controlling interest	51	18,807.01	16,107.99
<b>Total equity</b>		<b>7,62,329.29</b>	<b>6,31,631.20</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	2,314.65	4,919.40
(ii) Lease liabilities	23	517.80	299.00
Provisions	24	9,788.88	8,000.43
Deferred tax liabilities (net)	25	7,731.21	5,562.06
Other non-current liabilities	26	2,549.46	2,015.42
<b>Total non-current liabilities</b>		<b>22,902.00</b>	<b>20,796.31</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	13,948.99	81,883.32
(ii) Lease liabilities	23	255.65	205.72
(iii) Trade payables	27		
(a) total outstanding dues of micro and small enterprises; and		6,050.07	11,447.20
(b) total outstanding dues of creditors other than micro and small enterprises		94,767.62	96,192.52
(iv) Other financial liabilities	28	23,649.18	22,148.90
Provisions	24	30,763.04	26,450.26
Current tax liabilities (net)	12	4,625.55	1,508.96
Other current liabilities	26	12,253.52	22,509.53
<b>Total current liabilities</b>		<b>1,86,313.62</b>	<b>2,62,346.41</b>
<b>Total liabilities</b>		<b>2,09,215.62</b>	<b>2,83,142.72</b>
<b>Total equity and liabilities</b>		<b>9,71,544.91</b>	<b>9,14,773.92</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
Firm Reg. No. 301003E/E300005

per Vishal Sharma  
Partner  
Membership No. 096766

For Bhagi Bhardwaj Gaur & Co.  
Chartered Accountants  
Firm Reg. No. 007895N

per Mohit Gupta  
Partner  
Membership No. 528337  
Place: New Delhi  
Date: May 30, 2023

For and on behalf of the Board of Directors of  
Mankind Pharma Limited

Ramesh Juneja  
Chairman and  
Whole Time Director  
DIN - 00283399

Place: New Delhi  
Date: May 30, 2023

Pradeep Chugh  
Company Secretary  
Membership No. ACS 18711  
Place: New Delhi  
Date: May 30, 2023

Sheetal Arora  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

Place: New Delhi  
Date: May 30, 2023

Ashutosh Dhawan  
Chief Financial Officer  
Place: New Delhi  
Date: May 30, 2023

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>I Income</b>			
Revenue from operations	29	8,74,943.30	7,78,155.51
Other income	30	12,856.68	19,602.96
<b>Total income (I)</b>		<b>8,87,799.98</b>	<b>7,97,758.47</b>
<b>II Expenses</b>			
Cost of raw materials and components consumed	31	1,81,366.35	2,05,756.16
Purchases of stock-in-trade		80,923.76	81,375.44
Changes in inventories of finished goods, work in progress, development rights and stock in trade	32	29,074.09	(44,958.76)
Employee benefits expense	33	1,91,847.15	1,62,059.33
Finance costs	34	4,446.90	5,861.04
Depreciation and amortization expense	35	32,591.95	16,661.92
Other expenses	36	2,01,668.29	1,74,988.05
<b>Total expenses (II)</b>		<b>7,21,918.49</b>	<b>6,01,743.18</b>
<b>III Profit before share of net profits from investments accounted for using equity method and tax (I - II)</b>		<b>1,65,881.49</b>	<b>1,96,015.29</b>
<b>IV Share of net profit of associates and joint ventures (net of tax)</b>	48	1,242.42	1,444.77
<b>V Profit before tax (III + IV)</b>		<b>1,67,123.91</b>	<b>1,97,460.06</b>
<b>VI Tax Expense:</b>			
Current tax	37	32,755.58	46,903.22
Deferred tax	37	3,400.75	5,261.13
<b>Total tax expense (VI)</b>		<b>36,156.33</b>	<b>52,164.35</b>
<b>VII Profit for the year (V - VI)</b>		<b>1,30,967.58</b>	<b>1,45,295.71</b>
<b>VIII Other comprehensive income/(loss):</b>			
<b>Items that will not be reclassified to profit or loss</b>			
a. (i) Remeasurement losses on defined benefit plans		(780.49)	(114.95)
(ii) Income tax relating to above item		271.86	38.50
b. (i) Share of other comprehensive income/ (loss) of associates and joint ventures		6.85	(0.29)
(ii) Income tax relating to above item		(2.39)	0.10
c. (i) Change in the fair value of equity investments at FVTOCI		36.31	25.25
(ii) Income tax relating to above item		(12.69)	(8.82)
<b>Items that will be reclassified to profit or loss</b>			
Exchange differences in translating the financial statements of foreign operations		291.80	154.81
<b>Total other comprehensive income/(loss) for the year (VIII)</b>		<b>(188.75)</b>	<b>94.60</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>1,30,778.83</b>	<b>1,45,390.31</b>
<b>Profit for the year attributable to:</b>			
- Equity holders of the parent		1,28,185.91	1,43,347.59
- Non-controlling interests		2,781.67	1,948.12
<b>Other comprehensive income / (loss) for the year attributable to:</b>			
- Equity holders of the parent		(192.75)	64.85
- Non-controlling interests		4.00	29.75
<b>Total comprehensive income for the year attributable to:</b>			
- Equity holders of the parent		1,27,993.16	1,43,412.44
- Non-controlling interests		2,785.67	1,977.87
<b>X Earnings per equity share of face value of INR 1 each</b>	46		
Basic EPS (in INR)		32.00	35.78
Diluted EPS (in INR)		32.00	35.78

The above consolidated statement of profit and loss should be read in conjunction with accompanying notes.

As per our report of even date

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
Firm Reg. No. 301003E/E300005

per Vishal Sharma  
Partner  
Membership No. 096766

For Bhagi Bhardwaj Gaur & Co.  
Chartered Accountants  
Firm Reg. No. 007895N

per Mohit Gupta  
Partner  
Membership No. 528337  
Place: New Delhi  
Date: May 30, 2023

For and on behalf of the Board of Directors of  
Mankind Pharma Limited

Ramesh Juneja  
Chairman and  
Whole Time Director  
DIN - 00283399

Place: New Delhi  
Date: May 30, 2023

Pradeep Chugh  
Company Secretary  
Membership No. ACS 18711  
Place: New Delhi  
Date: May 30, 2023

Sheetal Arora  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

Place: New Delhi  
Date: May 30, 2023

Ashutosh Dhawan  
Chief Financial Officer  
Place: New Delhi  
Date: May 30, 2023



# Consolidated Statement of Changes in Equity

for the year ended March 31, 2023  
All amounts are in INR lacs unless otherwise stated

## a. Equity share capital

Particulars	Note	No. in lacs	Amount
Equity shares of INR 1 each issued, subscribed and fully paid As at April 01, 2021		4,005.88	4,005.88
Changes in equity share capital during the year	20	-	-
As at March 31, 2022		4,005.88	4,005.88
Changes in equity share capital during the year	20	-	-
As at March 31, 2023		4,005.88	4,005.88

## b. Other equity

### For the year ended March 31, 2023

Particulars	Attributable to the equity holders of the parent							Total equity	
	Reserves and Surplus				Other items of Other Comprehensive Income	Total	Non-controlling interests		
	General reserve	Securities premium	Capital reserve	Retained earnings					Employee stock option reserve
<b>Balance as at April 01, 2022</b>	23,774.24	4,211.74	(90,898.16)	6,73,518.84	-	910.67	6,11,517.33	16,107.99	6,27,625.32
Profit for the year	-	-	-	1,28,185.91	-	-	1,28,185.91	2,781.67	1,30,967.58
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	(484.55)	-	291.80	(192.75)	4.00	(188.75)
<b>Total comprehensive income for the year</b>	-	-	-	1,27,701.36	-	291.80	1,27,993.16	2,785.67	1,30,778.83
Share based payments expense (refer note 44)	-	-	-	-	5.91	-	5.91	-	5.91
<b>Transactions with owners in their capacity as owners:</b>									
Add/Less : Addition/(withdrawal) of capital from partnership firm during the year	-	-	-	-	-	-	-	(294.35)	(294.35)
Add : Addition of non-controlling interests on issuance of equity share in one subsidiaries	-	-	-	-	-	-	-	195.21	195.21
Add : Non-controlling interests on inception of new subsidiaries during the year (refer note 50)	-	-	-	-	-	-	-	12.49	12.49
<b>Balance as at March 31, 2023</b>	23,774.24	4,211.74	(90,898.16)	8,01,220.20	5.91	1,202.47	7,39,516.40	18,807.01	7,58,323.41

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2022  
All amounts are in INR lacs unless otherwise stated

### For the year ended March 31, 2022

Particulars	Attributable to the equity holders of the parent							Total equity	
	Reserves and Surplus				Other items of Other Comprehensive Income	Total	Non-controlling interests		
	General reserve	Securities premium	Capital reserve	Retained earnings					Employee stock option reserve
<b>Balance as at April 01, 2021</b>	23,774.24	4,211.74	(90,898.16)	5,30,350.82	-	755.86	4,68,194.50	14,088.74	4,82,283.24
Profit for the year	-	-	-	1,43,347.59	-	-	1,43,347.59	1,948.12	1,45,295.71
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	(89.96)	-	154.81	64.85	29.75	94.60
<b>Total comprehensive income for the year</b>	-	-	-	1,43,257.63	-	154.81	1,43,412.44	1,977.87	1,45,390.31
<b>Transactions with owners in their capacity as owners:</b>									
Add/Less : Addition/(withdrawal) of capital from partnership firm during the year	-	-	-	-	-	-	-	(48.23)	(48.23)
Add/Less : Transactions with non-controlling interest (NCI)	-	-	-	(89.61)	-	-	(89.61)	89.61	-
<b>Balance as at March 31, 2022</b>	23,774.24	4,211.74	(90,898.16)	6,73,518.84	-	910.67	6,11,517.33	16,107.99	6,27,625.32

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
Firm Reg. No. 301003E/E300005

per Vishal Sharma  
Partner  
Membership No. 096766

For Bhagi Bhardwaj Gaur & Co.  
Chartered Accountants  
Firm Reg. No. 007895N

per Mohit Gupta  
Partner  
Date: May 30, 2023

For and on behalf of the Board of Directors of  
Mankind Pharma Limited

Ramesh Juneja  
Chairman and  
Whole Time Director  
DIN - 00283399

Place: New Delhi  
Date: May 30, 2023

Pradeep Chugh  
Company Secretary  
Date: May 30, 2023

Sheetal Arora  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

Place: New Delhi  
Date: May 30, 2023

Ashutosh Dhawan  
Chief Financial Officer  
Date: May 30, 2023

## Consolidated Statement of Cash Flows

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
Profit before tax for the year	1,67,123.91	1,97,460.06
Adjustments to reconcile profit before tax to net cash flows:		
Share of (profit)/loss of associates and joint ventures (net)	(1,242.42)	(1,444.77)
Depreciation and amortisation expense	32,591.95	16,661.92
Realised gain on current investments measured at FVTPL	(162.19)	(4,777.21)
Unrealised gain on current investments measured at FVTPL	(3,397.58)	(3,966.11)
Dividend income from financial assets measured at FVTPL	(0.24)	(0.14)
Dividend income from investment measured at FVTPL	-	(0.04)
Government grant income	(3,682.04)	(3,842.87)
Unrealised foreign exchange (gain) / loss (net)	395.84	(469.32)
Gain on fair value of equity investments at FVTPL	(183.33)	-
(Gain)/loss on disposal of property, plant and equipment (net)	(166.49)	374.34
Assets written off	470.77	576.29
Gain on sale of investment property (net)	-	(0.20)
Trade and other receivable balances written off	463.90	491.57
Liabilities written back	(415.34)	(852.65)
Allowance for expected credit loss	915.04	662.74
Allowance for doubtful loans & advances	193.52	302.61
Reversal of impairment of non current assets	-	(800.00)
(Reversal)/ losses of impairment allowance of financial assets	-	(1,751.30)
Employee stock compensation expense	5.91	-
Interest income	(1,276.40)	(1,292.34)
Interest expense and other finance costs	4,024.30	1,855.85
Interest payable on delay deposit of indirect taxes	-	278.27
Interest on delay deposit of income tax	377.68	1,026.14
Interest on lease liabilities	44.92	47.95
Impairment allowance for non-current assets	500.00	-
Goodwill written off	385.24	-
<b>Operating profit before working capital changes</b>	<b>1,96,966.95</b>	<b>2,00,540.79</b>
<b>Working capital adjustments:</b>		
(Increase)/ Decrease in trade receivables	(20,531.48)	(6,595.27)
(Increase)/ Decrease in inventories	26,177.99	(57,670.04)
(Increase)/ Decrease in other financial asset	(12,929.75)	1,339.11
(Increase)/ Decrease in other asset	29,556.15	(60,559.12)
Increase/ (Decrease) in provisions	5,320.74	3,689.17
Increase/ (Decrease) in trade payable	(6,501.93)	41,984.91
Increase/ (Decrease) in other financial liabilities	1,621.10	1,899.44
Increase/ (Decrease) in other liabilities	(6,039.93)	17,299.73
Cash generated from operations	<b>2,13,639.84</b>	<b>1,41,928.72</b>
Income tax paid (net)	(32,309.67)	(49,950.83)
<b>Net cash inflow from operating activities (A)</b>	<b>1,81,330.17</b>	<b>91,977.89</b>
<b>B. Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment	604.79	314.64
Purchase of property, plant and equipment	(78,902.05)	(46,486.44)
Purchase of other intangible assets	(4,304.85)	(1,88,065.68)
Purchase of investment in mutual funds	(87,758.77)	(1,15,875.45)
Proceeds from sale of investment in mutual funds	71,224.27	1,67,790.00
Payment for acquisition of subsidiary (net)	(382.73)	-
Purchase of investment measured at FVTPL	-	(2,700.00)
Purchase of investment measured at FVTOCI	(2,007.70)	-
Dividend received	0.24	0.18
Repayment of loan to related parties	-	1,735.88
Loan to other parties	(40.94)	(9.63)
Bank withdrawal / (deposit) not considered as cash and cash equivalents (net)	(4,497.11)	43,015.30
(Investment into) / proceeds from sale/withdrawal from investment in associates and joint ventures	(624.42)	2,074.42
Interest received	1,276.40	1,292.34
<b>Net cash outflow from investing activities (B)</b>	<b>(1,05,412.87)</b>	<b>(1,36,914.44)</b>

## Consolidated Statement of Cash Flows

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>C. Cash flow from financing activities</b>		
Interest expense and other finance costs	(4,148.19)	(1,730.69)
Proceeds from current borrowings	1,09,473.48	1,27,232.71
Proceeds from non-current borrowings	384.51	585.95
Repayment of current borrowings	(1,76,415.20)	(64,535.06)
Repayment of non-current borrowings	(2,967.11)	(859.06)
Payment of principal portion of lease liabilities	(255.38)	(183.84)
Payment of interest portion of lease liabilities	(44.92)	(47.95)
<b>Net cash inflow / (outflow) from financing activities (C)</b>	<b>(73,972.81)</b>	<b>60,462.06</b>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,944.49	15,525.51
Net foreign exchange difference	231.54	47.79
Cash and cash equivalents at the beginning of the year	28,306.04	12,732.74
<b>Cash and cash equivalents at year end</b>	<b>30,482.07</b>	<b>28,306.04</b>
<b>Components of cash and cash equivalents for the purpose of statement of cash flows:</b>		
Balances with banks		
- on current Account	29,735.25	28,859.85
- on deposit account with original maturity of less than 3 months	701.08	1,140.55
Cash on hand	45.74	24.57
Cheques on hand	-	228.50
<b>Total cash and cash equivalents</b>	<b>30,482.07</b>	<b>30,253.47</b>
Bank overdraft	-	(890.87)
Book overdraft	-	(1,056.56)
	<b>30,482.07</b>	<b>28,306.04</b>

The above cash flow statement has been prepared under Indirect method as set out in Ind AS-7 "Statement of cash flows".

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

As per our report of even date

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 301003E/E300005

**per Vishal Sharma**  
Partner  
Membership No. 096766

**For Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
Firm Reg. No. 007895N

**per Mohit Gupta**  
Partner  
Membership No. 528337  
Place: New Delhi  
Date: May 30, 2023

**For and on behalf of the Board of Directors of  
Mankind Pharma Limited**

**Ramesh Juneja**  
Chairman and  
Whole Time Director  
DIN - 00283399

Place: New Delhi  
Date: May 30, 2023

**Pradeep Chugh**  
Company Secretary  
Membership No. ACS 18711  
Place: New Delhi  
Date: May 30, 2023

**Sheetal Arora**  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

Place: New Delhi  
Date: May 30, 2023

**Ashutosh Dhawan**  
Chief Financial Officer  
Place: New Delhi  
Date: May 30, 2023

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 1 CORPORATE INFORMATION

Mankind Pharma Limited ("Mankind" or "the Holding Company" or "the Parent Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India, and has its registered office at 208, Okhla Industrial Estate Phase-III, New Delhi 110020, Delhi, India. The Holding Company has completed its Initial Public Offer (IPO) and accordingly the Holding Company's equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on May 09, 2023.

The Holding Company together with its subsidiaries (collectively referred as "Group"), associates and joint ventures are principally engaged in the manufacturing and trading of pharmaceuticals and Consumer healthcare products and some of entities are engaged in leasing and hospitality business.

These consolidated financial statements were approved for issue in accordance with a resolution of the directors on May 30, 2023.

### 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years.

#### 2.01 Basis of preparation of consolidated financial statements

These Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III as amended). These Consolidated financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- i) Certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments)
- ii) Assets held for sale-measured at fair value less cost to sell
- iii) Defined benefit plans-plan assets measured at fair value

#### 2.02 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

#### 2.03 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries, associates and joint ventures as at March 31, 2023. Control is achieved when the Group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ▶ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ▶ Exposure, or rights to variable returns from its involvement with the investee, and
- ▶ The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ▶ The contractual arrangement with the other vote holders of the investee
- ▶ Rights arising from other contractual arrangements
- ▶ The Group's voting rights and potential voting rights
- ▶ The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements

of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2023.

#### 2.04 Consolidation Procedure :

##### (A) Subsidiaries:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS - 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

When the proportion of the equity held by non-controlling interests changes, the Group adjust the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiary. The Group recognises directly in equity any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the parent.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary
- (ii) Derecognises the carrying amount of any non-controlling interests
- (iii) Derecognises the cumulative translation differences recorded in equity
- (iv) Recognises the fair value of the consideration received
- (v) Recognises the fair value of any investment retained
- (vi) Recognises any surplus or deficit in profit or loss
- (vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### (B) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If Group's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment less cost to sell is recognised in profit or loss.

The Group discontinue the use of equity method from the date the investment is classified as held for sale in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations and measures the interest in associate and joint venture held for sale at the lower of its carrying amount and fair value less cost to sell.

### 2.05 Business combination and goodwill

Business combinations other than those under common control transactions are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. In respect to the business combination for acquisition of subsidiary, the Group has opted to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated as mentioned hereinafter

- (i) Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 "Income Tax" and Ind AS 19 "Employee Benefits" respectively.
- (ii) Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- (iii) Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 "Share-based Payments" at the acquisition date.
- (iv) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 "Non-current Assets Held for Sale" and Discontinued Operations are measured in accordance with that standard.
- (v) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

### 2.06 Business Combinations - common control transactions

Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies
- (iii) The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- (iv) The balance of the retained earnings appearing in the consolidated financial statements of the transferor is aggregated with corresponding balance appearing in the financial statements of the transferee or is adjusted against capital reserve.
- (v) The identity of the reserves shall be preserved and shall appear in the consolidated financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.
- (vi) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserves.

### 2.07 Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the

functional currency'). The Group's financial statements are presented in Indian rupee (INR) which is also the Group's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

#### (iii) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

#### Group Companies

On consolidation, the results and financial position of foreign operations that have a functional currency different from the presentation currency (INR) are translated to the presentation currency (INR) in the following manner:

- a) Assets and liabilities are translated at the rate of exchange prevailing at the reporting date
- b) Their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

expense items, if the average rate approximates the exchange rates at the dates of the transactions

- c) All resulting exchange differences arising on translation of financial statement of foreign operations for consolidation are recognised in other comprehensive income.
- d) On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in statement of profit or loss.
- e) Any Goodwill arising on the acquisition/business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.
- f) Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

### 2.08 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case. At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis,

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.09 Revenue from contracts with customers

The Group sells, manufactured and traded range of pharmaceutical and healthcare products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products are shipped to specific location and control has been transferred to the customers. The Group has objective evidence that all criterion for acceptance has been satisfied.

#### (a) Sale of products

Revenue from contracts with customers in respect of sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

The Group considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the Group allocates a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:-

#### (i) Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the

customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The rights of return and volume rebates give rise to variable consideration.

#### (ii) Sales Return

Sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Group's estimate of expected sales returns. With respect to established products, the Group considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Group's business and markets. With respect to new products introduced by the Group, such products have historically been either extensions of an existing line of product where the Group has historical experience or in therapeutic categories where established products exist and are sold either by the Group or the Group's competitors.

#### (iii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

#### (iv) Schemes

The Group operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, reimbursement, investments etc. Revenue from contracts with customers is presented deducting cost of all these schemes.

#### (b) Sale of services

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

respect of services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of services.

#### (c) Contract balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Group's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due (whichever is earlier) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

#### (d) Revenue from housing projects

Revenue from constructed properties for all projects is recognized in accordance with the Ind AS 115 "Revenue from contracts with customers" percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

#### (e) Other Operating Revenues

##### (i) Royalty Income

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Group and the amount of revenue can be measured reliably). Royalty arrangements that are based

on production, sales and other measures are recognised by reference to the underlying arrangement.

#### (ii) Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight - line basis over the lease terms and is included in other income in the statement of profit or loss due to its non-operating nature.

#### (iii) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### (iv) Export benefit

Revenue from export benefits arising from duty drawback scheme, merchandise export incentive scheme, Remission of duties and taxes on exported product scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

### 2.10 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.



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Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### 2.11 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Holding Company and its subsidiaries, associate and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

#### b) Deferred tax

Deferred income tax is provided using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. 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.

Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates

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to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### c) Minimum alternate tax (MAT):

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the respective Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the respective Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The respective Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

#### d) Accounting policy when the entities operate under tax holiday scheme:

In the situations where one or more Company in the Group are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the respective Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

### 2.12 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal

of an asset, excluding finance costs and income tax expense. Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the assets is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset
- An active programme to locate a buyer and complete the plan has been initiated (if applicable)
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

### 2.13 Property, plant and equipment

Property, Plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Freehold land is carried at historical cost net off accumulated impairment. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax

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credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Group and the cost of item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is calculated on pro rata basis on straight-line method using the useful lives of the assets estimated by management. The useful life is as follows:

Assets	Useful life (in years)
Building	30 and 60
Plant and Equipment	10 - 15
Furniture and Fittings	10

Assets	Useful life (in years)
Vehicles	8 and 10
Office Equipment	5
Mobile Phones	2
Mobile Tablets	1
Computers	3
Servers and Networks	6

The useful lives have been determined based on technical evaluation done by the management's expert. In certain assets such as plant and machineries, mobile phones and mobile tablets, useful lives are lower than those specified by schedule II to the Companies Act 2013 and are depreciated over the estimated useful lives of 10 years, 2 years and 1 year respectively in order to reflect the actual usage of asset. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Lease hold improvements are depreciated on straight line basis over shorter of the asset's useful life and their initial agreement period.

### 2.14 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

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Subsequent expenditure is capitalized to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. When significant parts of investment property are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. All other repair and maintenance cost are expensed when incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model as per Ind AS 113 "Fair value measurement".

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of derecognition.

Investment properties are depreciated using straight line method over their estimated useful life i.e 30 years.

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

### 2.15 Intangible assets

#### Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of

bargain purchase, recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or earlier, when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

#### Other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected

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pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life as under:

Assets	Useful life (in years)
Computer Software	3
Trademarks & copyrights	2-15
Patents	6
Technical know-how	5-7
Non-compete fee	5

### Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability to use or sale the asset;
- How the asset will generate future economic benefits;
- The availability of adequate resources to complete the development and to use or sale the asset; and

- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

### 2.16 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to statement of profit and loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

### 2.17 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease

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liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of respective leases ranging from 33-99 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

#### ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### (iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### Group as a lessor

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 2.18 Inventories

#### a) Basis of valuation:

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

#### b) Method of Valuation:

- Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.



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- ii) Cost of finished goods and work-in-progress includes direct material and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing cost. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.
- iii) Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- v) Development rights represent actual amount paid under agreement towards purchase of land/ development rights for acquiring irrevocable and exclusive licenses/development rights in identified land or constructed properties valued at cost and net realizable value, whichever is lower.

### 2.19 Impairment of non- financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation

multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five to eight years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the 8th year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### 2.20 Provisions and Contingent Liabilities

#### Provisions

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will

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be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### Sales Return

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

#### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Group does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### 2.21 Retirement and other employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service up to the end of the reporting period and are measured at the amount expected to be paid

when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Other long-term employee benefit obligations

##### a) Gratuity

The Group has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed four years and two forty days or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Group.

The Gratuity Plan, which is defined benefit plan, is either unfunded, funded or managed by Mankind Pharma (P) Limited Employees Group Gratuity Trust, Magnet Labs Private Limited Employees Group Gratuity Cum Life Assurance Scheme, Lifestar Pharma Private Limited Employees Group Gratuity Cum Life Assurance Scheme, Relax Pharmaceuticals Private Limited Employees Gratuity Trust Fund, Pack Innovation (P) Ltd Emp Gratuity Trust Fund, Copmed Pharmaceuticals (P) Ltd Employee Gratuity Trust Fund, Mediforce Healthcare Private Limited Employees Group Gratuity Trust fund and Pharma Force Lab Employees Gratuity Trust ("the trust") with its investments. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Group contributes to the Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- b) Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on

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plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

### b) Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

### c) Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date on the basis of actuarial valuation using projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

### (iii) Share Based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-

settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the consolidated statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. For cancelled options, the payment made to the employee shall be accounted for

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as a deduction from equity, except to the extent that the payment exceeds the fair value of the equity instruments of the Group, measured at the cancellation date. Any such excess from the fair value of equity instrument shall be recognised as an expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 2.22 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (i) Financial Assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model

determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

##### Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

##### Financial assets at amortised cost (debt instruments)

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

- a) Business Model Test :** The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;
- b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross

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carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

### Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- Business Model Test :** The objective of financial instrument is achieved by both collecting contractual cash flows and selling the financial assets; and
- Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

### Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

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- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either:
  - (a) the Group has transferred substantially all the risks and rewards of the asset, or
  - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

The Group has accounted for its investment in subsidiaries and associate and joint venture at cost.

### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash

flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 -Leases

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.



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**(b) Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.

**(c) Debt instruments measured at FVTOCI:** For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

### (ii) Financial liabilities:

#### Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group financial liabilities include loans and borrowings, trade payables, trade deposits, financial guarantees, and other payables.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- (i) Financial liabilities at fair value through profit or loss
- (ii) Financial liabilities at amortised cost (loans and borrowings)

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivatives financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

#### Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

#### Trade Payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

#### Financial guarantee contracts

Financial guarantee contracts, issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the

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guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

#### Derecognition

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

#### 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### Reclassification of financial assets/ financial liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### 2.23 Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- (i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- (ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- (iii) Hedges of a net investment in a foreign operation

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

#### Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is

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recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

### Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

### 2.24 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### 2.25 Dividend

The Group recognizes a liability to pay dividend to equity holders of the Group, when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### 2.26 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### 2.27 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

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The operating segments have been identified on the basis of the nature of products/services. Further:

- 1 Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue.
- 2 Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.
- 3 Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.
- 4 Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Group.
- 5 Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.
- 6 Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

### 2.28 Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

#### (i) Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

#### a) Leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

#### (ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### a) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of

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previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

### b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 40.

### c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### d) Impairment of financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### e) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are estimated based on past trend and discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

### f) Provision for sales return

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

### g) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 15.

### h) Property, Plant and Equipment

Property, Plant and Equipment represents significant portion of the asset base of the Group charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Group's assets are determined by management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

## 3 New and amended standards adopted by the Group

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2022. The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

### 1 Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly

related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. These amendments has no impact on the Group.

### 2 Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). These amendments has no impact on the Group.

### 3 Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.



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for the year ended March 31, 2023

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The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments has no impact on the Group.

#### 4 Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Group as it is not a first-time adopter.

#### 5 Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments has no impact on the Group.

#### 6 Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments has no impact on the Group as it did not have assets in scope of IAS 41 as at the reporting date.

The amendments listed above did not have any impact on the amounts recognised in prior periods presented and are not expected to significantly affect the current or future periods.

#### New amendments issued but not effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

#### (i) Definition of Accounting Estimates – Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements.

#### (ii) Disclosure of Accounting Policies- Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

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The Group is currently assessing the impact of the amendments.

#### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period

presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023.

The Group is currently assessing the impact of the amendments.

4 Property, plant and equipment

Particulars	Freehold land	Leasehold improvements	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computers	Total	Capital Work in Progress
Gross carrying value:										
Balance as at April 01, 2021	24,142.45	600.99	57,501.21	97,899.08	11,104.59	3,370.25	3,392.41	2,696.05	2,00,707.03	37,161.62
Additions	210.47	43.68	1,127.48	16,502.14	858.55	975.01	2,931.36	549.65	23,198.34	44,371.05
Disposals/ adjustments	(4.46)	-	(1.52)	(839.49)	(69.35)	(121.31)	(24.07)	(14.32)	(1,074.52)	(13,940.14)
Assets written off (refer note 36)	-	-	-	-	-	-	-	-	-	(576.29)
Asset classified as held for sale (refer note 19)	-	-	-	-	-	-	-	-	-	(28.90)
Balance as at March 31, 2022	24,348.46	644.67	58,627.17	1,13,561.73	11,893.79	4,223.95	6,299.70	3,231.38	2,22,830.85	66,987.34
Additions	11,056.86	242.76	45,973.22	21,830.76	4,484.66	3,190.19	3,257.33	2,447.47	92,483.25	53,684.24
Acquired under Business Combination (refer note 53)	-	-	-	0.77	0.45	11.15	0.68	1.09	14.14	-
Disposals/ adjustments	(77.45)	-	(4.52)	(455.79)	(48.38)	(326.13)	(64.87)	(16.75)	(993.89)	(70,881.61)
Assets written off (refer note 36)	-	-	-	-	-	-	-	-	-	(470.77)
Asset classified as held for sale (refer note 19)	(48.58)	-	-	-	-	-	-	-	(48.58)	-
Balance as at March 31, 2023	35,279.29	887.43	1,04,595.87	1,34,937.47	16,330.52	7,099.16	9,492.84	5,663.19	3,14,285.77	49,319.20
Accumulated depreciation:										
Balance as at April 01, 2021	-	277.91	7,231.25	27,171.38	4,916.19	1,189.03	1,882.97	1,467.40	44,136.13	-
Depreciation expense (refer note 35)	-	203.40	1,652.37	7,178.89	778.06	452.31	3,103.86	477.72	13,846.61	-
Disposals/ adjustments	-	-	(0.70)	(195.69)	(65.33)	(92.50)	(21.04)	(12.93)	(388.19)	-
Balance as at March 31, 2022	-	481.31	8,882.92	34,154.58	5,628.92	1,548.84	4,965.79	1,932.19	57,594.55	-
Depreciation expense (refer note 35)	-	185.72	2,289.88	9,669.65	928.31	535.58	1,829.96	864.28	16,303.38	-
Disposals/ adjustments	-	0.27	(3.70)	(305.76)	(44.48)	(139.87)	(45.70)	(16.35)	(555.59)	-
Balance as at March 31, 2023	-	667.30	11,169.10	43,518.47	6,512.75	1,944.55	6,750.05	2,780.12	73,342.34	-
Net Carrying value										
Balance as at March 31, 2022	24,348.46	163.36	49,744.25	79,407.15	6,264.87	2,675.11	1,333.91	1,299.19	1,65,236.30	66,987.34
Balance as at March 31, 2023	35,279.29	220.13	93,426.77	91,419.00	9,817.77	5,154.61	2,742.79	2,883.07	2,40,943.43	49,319.20

Notes to the consolidated financial statements

for the year ended March 31, 2023

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4.1 Capital work-in-progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>					
Projects in progress	36,925.97	9,809.08	2,253.23	330.92	49,319.20
<b>Total</b>	<b>36,925.97</b>	<b>9,809.08</b>	<b>2,253.23</b>	<b>330.92</b>	<b>49,319.20</b>
<b>As at March 31, 2022</b>					
Projects in progress	34,794.30	10,763.41	7,167.86	14,261.77	66,987.34
<b>Total</b>	<b>34,794.30</b>	<b>10,763.41</b>	<b>7,167.86</b>	<b>14,261.77</b>	<b>66,987.34</b>

Note :

- During the year ended March 31, 2023, additions to plant and equipment includes INR 400.09 lacs (March 31, 2022 : INR 553.99 lacs) on account of government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on import of plant and equipment. Closing balance of Capital work-in-progress as at March 31, 2023 include INR 1,678.45 lacs (as at March 31, 2022 : INR 1,388.27 lacs) for this benefit.
- Capital work in progress as at March 31, 2023 includes assets under construction at various plants, head office and production lines which are pending installation based on their approved plans. There are no projects which have either exceeded their budget or whose timelines have been deferred.
- Disclosure of contractual commitments for the acquisition of property, plant and equipment has been provided in note 38B.
- The Group undisputedly possesses the title deeds for all immovable properties held by the Group, presented under 'Freehold land and Buildings' in the above note, except below.

Description of Property	Gross carrying value as at March 31, 2023	Held in name of	Whether promoter, director or their relative or employee	Reason for not being held in the name of Company
Land at 84, Okhla Industrial Estate, Phase-3, New Delhi	2,263.29	Lifestar Pharma Private Limited	No	Title deeds of these immovable properties, in the nature of freehold land & buildings, as indicated in the above mentioned cases which were acquired pursuant to a scheme of amalgamation approved by National Company Law Tribunal's (NCLT) Order dated March 21, 2023, are not individually held in the name of the Company, however the deed of merger has been filed with the Registrar of Companies on March 30, 2023.
Building at 84, Okhla Industrial Estate, Phase-3, New Delhi	790.50	Lifestar Pharma Private Limited	No	

5 Investment properties

Particulars	Freehold land	Buildings	Total
<b>Gross carrying value</b>			
Balance as at April 01, 2021	383.23	172.79	556.02
Additions	-	-	-
Disposals/ adjustments	-	(2.55)	(2.55)
Balance as at March 31, 2022	383.23	170.24	553.47
Additions	-	-	-

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for the year ended March 31, 2023

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Particulars	Freehold land	Buildings	Total
Disposals/ adjustments	-	-	-
<b>Balance as at March 31, 2023</b>	<b>383.23</b>	<b>170.24</b>	<b>553.47</b>
<b>Accumulated depreciation:</b>			
<b>Balance as at April 01, 2021</b>	-	5.67	5.67
Depreciation expense (refer note 35)	-	5.47	5.47
Disposals/ adjustments	-	(0.10)	(0.10)
<b>Balance as at March 31, 2022</b>	-	<b>11.04</b>	<b>11.04</b>
Depreciation expense (refer note 35)	-	5.47	5.47
Disposals/ adjustments	-	-	-
<b>Balance as at March 31, 2023</b>	-	<b>16.51</b>	<b>16.51</b>
<b>Net carrying value:</b>			
Balance as at March 31, 2022	383.23	159.20	542.43
Balance as at March 31, 2023	383.23	153.73	536.96

### Information regarding income & expenditure of investment property:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge	(5.47)	(5.47)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of investment property	552.96	557.89

#### Note :

Investment property represents, land and building under construction at District- Tehri Garhwal amounting to INR 532.39 lacs (March 31, 2022: INR 537.86 lacs) held for capital appreciation, and includes land being a premise in Meerut, Uttar Pradesh, held for capital appreciation purpose amounting to INR 4.57 lacs (March 31, 2022: INR 4.57 lacs).

#### Fair value hierarchy

The above fair valuation are based on valuations performed by an accredited independent valuer, who is specialised in valuing such type of investment property.

The Group has no restrictions on the realisability of its investment property and no contractual obligation to purchase, construct or develop or for repair & maintenance.

#### Description of valuation technique used:

The Group obtains independent valuations of its investment properties as at the year end. The fair value of the investment properties have been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment properties to similar properties that have actually been sold in arms-length distance from investment properties or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment properties; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment properties.

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These valuations are based on valuations performed by Akhil Kumar and Associates, an accredited independent valuer. Akhil Kumar and Associates is a specialist in valuing these types of investment properties and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment property are included in level 3.

#### Sensitivity analysis of the investment property fair value assumptions

Further the Group has performed sensitivity analysis on the assumptions used by the valuer and ensured that the valuation of investment property is appropriate. The Group undisputedly possesses the title deeds for all properties held by the Group, presented under 'Freehold land and Buildings' in the above note.

## 6 Other intangible assets

	Computer softwares	Brand	Trademark & Copyrights	Technical know-how	Non-compete fees	Patents	Total	Goodwill	Intangible assets under development
<b>Gross carrying value:</b>									
Balance as at April 01, 2021	2,714.97	2,076.60	2,683.99	-	-	-	7,475.56	2,044.22	33.36
Additions (refer note (b) below)	132.25	-	1,58,282.00	14,025.00	5,500.00	7,000.00	1,84,939.25	-	3,126.43
Disposals / adjustments	(0.23)	-	-	-	-	-	(0.23)	-	-
<b>Balance as at March 31, 2022</b>	<b>2,846.99</b>	<b>2,076.60</b>	<b>1,60,965.99</b>	<b>14,025.00</b>	<b>5,500.00</b>	<b>7,000.00</b>	<b>1,92,414.58</b>	<b>2,044.22</b>	<b>3,159.79</b>
Additions	1,147.36	613.78	8.14	-	-	-	1,769.28	343.27	3,559.49
Disposals	(20.98)	-	-	-	-	-	(20.98)	-	(1,023.92)
<b>Balance as at March 31, 2023</b>	<b>3,973.37</b>	<b>2,690.38</b>	<b>1,60,974.13</b>	<b>14,025.00</b>	<b>5,500.00</b>	<b>7,000.00</b>	<b>1,94,162.88</b>	<b>2,387.49</b>	<b>5,695.36</b>
<b>Accumulated amortisation and impairment:</b>									
Balance as at April 01, 2021	1,677.73	2,076.60	1,878.37	-	-	-	5,632.70	-	-
Amortisation expense (refer note 35)	498.26	-	1,639.31	203.93	87.40	92.69	2,521.59	-	-
Disposals / adjustments	(0.23)	-	-	-	-	-	(0.23)	-	-
<b>Balance as at March 31, 2022</b>	<b>2,175.76</b>	<b>2,076.60</b>	<b>3,517.68</b>	<b>203.93</b>	<b>87.40</b>	<b>92.69</b>	<b>8,154.06</b>	-	-
Amortisation expense (refer note 35)	510.69	-	10,560.75	2,545.36	1,100.00	1,166.67	15,883.47	-	-
Disposals / adjustments	(20.98)	-	-	-	-	-	(20.98)	-	-
Impairment (refer note 36)	-	-	-	-	-	-	-	385.24	-
<b>Balance as at March 31, 2023</b>	<b>2,665.47</b>	<b>2,076.60</b>	<b>14,078.43</b>	<b>2,749.29</b>	<b>1,187.40</b>	<b>1,259.36</b>	<b>24,016.55</b>	<b>385.24</b>	-
<b>Net carrying value</b>									
Balance as at March 31, 2022	671.23	-	1,57,448.31	13,821.07	5,412.60	6,907.31	1,84,260.52	2,044.22	3,159.79
Balance as at March 31, 2023	1,307.90	613.78	1,46,895.70	11,275.71	4,312.60	5,740.64	1,70,146.33	2,002.25	5,695.36



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### 6.1 Intangible asset under development Ageing:

As at March 31, 2023

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,200.33	2,495.03	-	-	5,695.36
<b>Total</b>	<b>3,200.33</b>	<b>2,495.03</b>	<b>-</b>	<b>-</b>	<b>5,695.36</b>

As at March 31, 2022

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,126.43	8.68	18.80	5.88	3,159.79
<b>Total</b>	<b>3,126.43</b>	<b>8.68</b>	<b>18.80</b>	<b>5.88</b>	<b>3,159.79</b>

There are no projects as intangible assets under development as at March 31, 2023 and March 31, 2022, whose completion is overdue or cost of which has exceeded in comparison to its original plan.

#### Note:

- Trademark and copyrights includes a rights available with the Group to market licensed medicines in designated territory as per underlying arrangements with respective customers. These are amortised as per the life technically assessed by the management having life of 2 to 15 years.
- During the previous year ended March 31, 2022, the Holding Company had acquired pharmaceutical formulation brands including their related trademarks and copyrights and other Intellectual Property Rights from Panacea Biotech Pharma Limited and Panacea Biotech Limited relating to their operations in India and Nepal vide an asset purchase agreement dated February 28, 2022 on arm length price aggregating to INR 1,80,765.00 lacs as detailed below and has assessed estimated useful lives of these intangible assets based on independent technical evaluation and ensured the transaction is appropriately accounted in accordance with Ind AS 38 - Intangible Assets.

Intangible Assets	INR lacs	Estimated useful life as assessed by management
	Amount inclusive of stamp duty	
(i) Trademark & copyrights	1,54,265.00	15 years
(ii) Non-compete fees	5,500.00	5 years
(iii) Technical know-how	14,000.00	5-7 years
(iv) Patents	7,000.00	6 years
<b>Total</b>	<b>1,80,765.00</b>	

- Intangible assets under development as at March 31, 2023 includes softwares being developed internally.

#### d. Impairment of Goodwill and other intangible assets

The Group has performed annual impairment test for Goodwill and impairment test of other intangible assets where there are indicators of impairment for year ended March 31, 2023 and March 31, 2022 to ascertain the recoverable amount of CGU to which such Goodwill pertains. The Group has allocated goodwill and other intangible assets wherever indicators exist to its respective Cash Generating Unit i.e. Pharmaceutical and healthcare products, Real estate and hospitality and performed impairment test to ascertain the recoverable amount. Goodwill relating to pharmaceutical CGU amounts to INR 1,339.08 lacs and relating to real estate

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and hospitality CGU amounts to INR 663.17 lacs. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. The recoverable amount for pharmaceutical CGU is determined based on value in use calculation. These calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by management covering a 5 to 7 years period. Cash flow projection beyond 5 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates.

The Group has provided for an impairment loss on goodwill of INR 385.24 lacs (March 31, 2022: Nil) with respect to its subsidiaries 'JPR Labs Private Limited' during the respective year ended.

Assumption relating to pharma CGU	March 31, 2023	March 31, 2022	Approach used in determining value
Weighted average Cost of capital % (WACC) before tax (discount rate)	12.50-15.70%	13.00-15.37%	It has been determined basis risk free rate of return adjusted for equity risk premium.
Long Term Growth Rate	4%	4%	Long term growth rate has been taken basis financial budgets and projections approved by management which is in line with industry growth rate

#### Assumptions relating to real estate and hospitality CGU

The Group uses the Direct Comparison Method in case of hospitality and real estate business. The direct comparison approach involves a comparison of the properties to similar properties that have actually been sold in arms-length distance from properties or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the properties; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for properties.

The fair value has been determined by Akhil Kumar and Associates, Government approved valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates are included in level 3.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The calculations performed indicate that there is impairment of investments in some investments in few pharma and pharma packing investments. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of Investments. Based on this analysis, management believes that change in any of above assumption would not cause any material possible change in carrying value of unit's CGU over and above its recoverable amount, other than those already accounted as at March 31, 2023 and adequate headroom is available to factor sensitivities in assumptions used.

#### Sensitivity analysis of assumptions

Further the Group has performed sensitivity analysis on the assumptions used by the valuer and ensured that the valuation is appropriate and appropriate accrual has been made for provision of impairment wherever considered necessary.

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### 7 Right-of-use assets

- a) This note provide information for leases where the Group is a lessee. The Group leases various offices, warehouse and has taken Land on long term lease from government authorities ranging from 66 to 99 years. The leases for offices and warehouses are typically for 5 to 6 years with mutually exercisable extension option at the end of term.

	Leasehold Land	Leasehold Building	Total
<b>Gross carrying value:</b>			
<b>Balance as at April 01, 2021</b>	4,981.75	794.88	5,776.63
Additions	1,512.74	75.30	1,588.04
<b>Balance as at March 31, 2022</b>	<b>6,494.49</b>	<b>870.18</b>	<b>7,364.67</b>
Additions	4,559.63	538.28	5,097.91
Exchange differences	-	4.58	4.58
<b>Balance as at March 31, 2023</b>	<b>11,054.12</b>	<b>1,413.04</b>	<b>12,467.16</b>
<b>Accumulated depreciation:</b>			
<b>Balance as at April 01, 2021</b>	126.20	214.26	340.46
Depreciation expense (refer note 35)	75.26	212.99	288.25
Exchange differences	-	0.25	0.25
<b>Balance as at March 31, 2022</b>	<b>201.46</b>	<b>427.50</b>	<b>628.96</b>
Depreciation expense (refer note 35)	139.46	260.17	399.63
Exchange differences	-	2.10	2.10
<b>Balance as at March 31, 2023</b>	<b>340.92</b>	<b>689.77</b>	<b>1,030.69</b>
<b>Net carrying value:</b>			
Balance as at March 31, 2022	6,293.03	442.68	6,735.71
Balance as at March 31, 2023	10,713.20	723.27	11,436.47

- b) The following is the carrying value of lease liabilities and movement thereof during the year ended March 31, 2023:

Particulars	Amount
<b>Balance as at April 01, 2021</b>	613.26
Additions during the year	75.30
Finance cost accrued during the year (refer note 34)	47.95
Payment of lease liabilities (interest and principal)	(231.79)
<b>Balance as at March 31, 2022</b>	<b>504.72</b>
Additions during the year	524.12
Finance cost accrued during the year (refer note 34)	44.92
Exchange difference	3.19
Payment of lease liabilities (interest and principal)	(303.50)
<b>Balance as at March 31, 2023</b>	<b>773.45</b>

Particulars	As at March 31, 2023	As at March 31, 2022
Current Lease liabilities (refer note 23)	255.65	205.72
Non-Current Lease liabilities (refer note 23)	517.80	299.00
	<b>773.45</b>	<b>504.72</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- c) The maturity analysis of lease liabilities are as follows:

### Maturity of lease liabilities

Set out below are the undiscounted potential future rental payments relating to periods:

Lease obligations	As at March 31, 2023	As at March 31, 2022
Not later than one year	304.52	238.66
Later than one year and not later than five years	538.15	317.38
Later than five years	114.52	116.15

Interest expense	As at March 31, 2023	As at March 31, 2022
Not later than one year	48.87	32.69
Later than one year and not later than five years	49.08	45.86
Later than five years	85.79	88.92

- d) The weighted average incremental borrowing rate applied to lease liabilities is 8.5% p.a.

- e) Rental expense recorded for short-term leases are as follows:

The following are the amounts recognised consolidated statement of profit and loss:	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation expense of right-of-use assets (refer note 35)	399.63	288.25
Interest expense on lease liabilities (refer note 34)	44.92	47.95
Expense relating to short-term leases (refer note 36)	2,042.61	2,125.73
	<b>2,487.16</b>	<b>2,461.93</b>

- f) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- g) The Group has applied a single discount rate to a portfolio of leases of a similar assets in similar economic environment with similar end date.

### 8 Investment in associates and joint ventures

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	Amount	Amount	Amount
<b>Non- Current</b>				
<b>(a) Investment in unquoted equity instruments- (carrying amount determined using the equity method of accounting)</b>				
<b>Associates</b>				342.38
ANM Pharma Private Limited 7,85,606 equity shares of INR 10 each (March 31, 2022: 7,85,606 equity shares of INR 10 each)		378.60		
Sirmour Remedies Private Limited 40,000 equity shares of INR 100 each (March 31, 2022: 40,000 equity shares of INR 100 each)	5,355.84		5,182.42	
Less: Provision for the impairment in the value of Investment	(2,500.00)	2,855.84	(2,500.00)	2,682.42

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	Amount	Amount	Amount
<b>(b) Investment in partnership firms classified as joint venture and associates (see note (b) below)</b>				
<b>Joint Ventures</b>				
Superba Buildwell		2,184.74		1,748.63
Superba Developers		2,978.04		1,922.72
Superba Buildwell (South)		2,624.74		2,720.76
<b>Associates</b>				
J K Print Packs	3,286.67		3,316.61	
Less: Provision for the impairment in the value of Investment (refer note (e))	(2,550.00)	736.67	(2,050.00)	1,266.61
N S Industries	3,863.30		3,801.87	
Less: Provision for the impairment in the value of Investment (refer note (e))	(400.00)	3,463.30	(400.00)	3,401.87
A S Packers		2,919.19		2,688.89
<b>Total</b>		<b>18,141.12</b>		<b>16,774.28</b>
Aggregate amount of unquoted investments		18,141.12		16,774.28
Aggregate amount of impairment in value of investment		5,450.00		4,950.00

### Notes:

- Investment in associates and joint ventures are accounted for using the equity method in the consolidated financial statements.
- Investment in partnership firms are measured at equity method, and are shown as net of contribution, drawings and share of profit/ (loss) for the respective year.
- Following are the details of investment in partnership firms disclosing their capital and share in profit/ (loss) as at March 31, 2023 and March 31, 2022:

Partnership Firm	Partners	Capital	Share of profit	Capital	Share of profit
		March 31, 2023		March 31, 2022	
Superba Buildwell	Neeraj Garg	334.30	10.00%	262.77	10.00%
	Rakesh Gupta	334.30	10.00%	261.77	10.00%
	Deepali Garg	334.30	10.00%	262.77	10.00%
	Rashi Singhal Agarwal	99.65	5.00%	63.89	5.00%
	Shagun Singhal Garg	79.65	5.00%	43.89	5.00%
	Mankind Pharma Limited	2,012.48	60.00%	1,576.31	60.00%
		<b>3,194.68</b>	<b>100.00%</b>	<b>2,471.40</b>	<b>100.00%</b>
Superba Developers	Mankind Pharma Limited	2,790.61	70.00%	1,735.22	70.00%
	Chirag Garg	452.23	15.00%	275.85	15.00%
	Usha Gupta	452.23	15.00%	274.35	15.00%
		<b>3,695.07</b>	<b>100.00%</b>	<b>2,285.42</b>	<b>100.00%</b>
Superba Buildwell (South)	Ajai Agarwal	174.96	10.00%	188.54	10.00%
	Mankind Pharma Limited	2,624.74	70.00%	2,720.76	70.00%
	Parag Gupta	174.96	10.00%	188.54	10.00%
	Uma Gupta	174.96	10.00%	188.54	10.00%
		<b>3,149.62</b>	<b>100.00%</b>	<b>3,286.38</b>	<b>100.00%</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Partnership Firm	Partners	Capital	Share of profit	Capital	Share of profit
		March 31, 2023		March 31, 2022	
J K Print Packs	Veer Pal Singh	395.67	18.50%	412.46	18.50%
	Nikunj Tyagi	394.15	18.50%	410.94	18.50%
	Konark Bansal	637.96	30.00%	665.18	30.00%
	Appian Properties Private Limited	695.28	33.00%	725.22	33.00%
		<b>2,123.06</b>	<b>100.00%</b>	<b>2,213.80</b>	<b>100.00%</b>
N S Industries	Puneet Tyagi	1,847.72	52.00%	1,764.51	52.00%
	Appian Properties Private Limited	1,724.73	48.00%	1,663.30	48.00%
		<b>3,572.45</b>	<b>100.00%</b>	<b>3,427.81</b>	<b>100.00%</b>
A S Packers	Surbhi Tyagi	1,755.44	50.00%	1,605.15	50.00%
	Appian Properties Private Limited	1,788.66	50.00%	1,558.36	50.00%
		<b>3,544.10</b>	<b>100.00%</b>	<b>3,163.51</b>	<b>100.00%</b>

### d. Impairment of investments

The Group has performed a detailed analysis to identify indicators of impairment in respect of its investment portfolio considering internal and external factors in accordance with Ind-AS 36 - Impairment of assets. The Group has allocated investments wherever indicators exist to its respective Cash Generating Unit i.e. Pharmaceutical and healthcare products performed impairment test to ascertain the recoverable amount. The recoverable amount is determined either based on value in use calculation or net selling price.

In respect of pharmaceutical CGU, management calculates value in use using a discounted cash flow method. The discounted cash flow calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by respective entities management covering a 4 to 5 years period. Cash flow projection beyond 4 to 5 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates.

Assumption relating to pharmaceutical CGU	March 31, 2023 (%)	March 31, 2022 (%)	Approach used in determining value
Weighted average Cost of capital % (WACC) before tax (discount rate)	12.50-14.80%	11.00-15.37%	It has been determined basis risk free rate of return adjusted for equity risk premium.
Long Term Growth Rate	4.00%	4.00%-5.00%	Long term growth rate has been taken basis financial budgets and projections approved by management which is in line with industry growth rate

The Group has assessed impairment as at year ended March 31, 2023, considering the developments and actual business performance has accounted for the same in the reported period.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The calculations performed indicate that there is impairment of some investments in pharma packing investments. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of Investments. Based on this analysis, management believes that adequate headroom is available and change in any of above assumption would not cause any material possible change in carrying value of unit's CGU over and above its recoverable amount, other than those already accounted.



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for the year ended March 31, 2023

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### Sensitivity analysis of assumptions

The Group has performed sensitivity analysis on the key assumptions by +/- 2% for each of the assumptions used by the valuer and ensured that the valuation is appropriate and there is no further impairment and adequate headroom is available.

### 9 Non-current Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Shares	Amount	Shares	Amount
<b>Non- current</b>				
<b>(a) Investment measured at fair value through profit or loss (FVTPL), fully paid up</b>				
<b>Investment in unquoted equity instruments</b>				
Shivalik Solid Waste Management Limited (face value INR 10 each)	12,500	1.25	12,500	1.25
Khanal Foods Private Limited (face value INR 1 each) (refer note i below)	100	1.09	100	1.02
<b>Investment in unquoted preference Instrument</b>				
<b>0.01% Compulsory Convertible Cumulative Preference Shares</b>				
Khanal Foods Private Limited (face value INR 1 each) (refer note i below)	2,64,173	2,882.13	2,64,173	2,698.98
<b>(b) Investment in Limited Liability Partnership measured at fair value through other comprehensive income (FVTOCI), fully paid up</b>				
ABCD Technologies LLP		4,061.56		4,025.25
<b>(c) Investment in unquoted equity instruments measured at fair value through other comprehensive income (FVTOCI), fully paid up</b>				
Actimed Therapeutics Limited (see note (ii) below) (face value GBP 0.01 each)	13,334	2,007.70		-
<b>Total</b>		<b>8,953.73</b>		<b>6,726.50</b>
Aggregate amount of unquoted investments		8,953.73		6,726.50
Aggregate fair value of unquoted investments		8,953.73		6,726.50

#### Notes:

- The Group has subscribed to Compulsorily Convertible Cumulative Preference Shares of INR 1 each carrying coupon of 0.01% per annum at a premium of INR 1,020.67 each issued by Khanal Foods Private Limited. Such shares are convertible into equity shares at the end of twenty years from the date of allotment of such shares, unless converted any time from the date of allotment at the option of the holder. At the time of conversion every one (1) preference share of face value of INR 1/- each, will be entitled to one (1) equity share of face value of INR 1/- each.
- During the year ended March 31, 2023, the Group has subscribed to 13,334 equity shares of face value GBP 0.01 each at an issue price of GBP 150 per share issued by Actimed Therapeutics Limited.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 10 Current Investments

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (in nos.)	Amount	Units (in nos.)	Units (On Lien)	Amount
<b>Investment in Mutual Investments (Quoted)</b>					
<b>Financial assets carried at fair value through profit or loss (FVTPL)</b>					
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan	47,20,107.26	1,134.73	47,20,107.26	-	1,074.01
Aditya Birla Sun Life Banking & PSU Debt Fund - Growth-Direct Plan (formerly known as Aditya Birla Sun Life Treasury Optimum Plan)	2,93,104.75	933.80	2,93,104.75	-	892.00
Aditya Birla Sun Life Corporate Bond Fund -Growth-Direct Plan (formerly known as Aditya Birla Sun Life Short Term Fund)	31,01,536.68	2,965.23	31,01,536.68	10,68,195.00	2,828.77
Aditya Birla Sun Life Credit Risk Fund - Gr. DIRECT	16,10,500.46	301.70	16,10,500.46	-	278.30
Aditya Birla Sun Life Credit Risk Fund Gr. DIRECT (Segregated Portfolio - 1)	-	-	16,10,500.46	-	2.74
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan	3,28,805.49	985.06	3,28,805.11	-	932.32
Aditya Birla Sun Life Low Duration Fund - Growth-Regular Plan (formerly known as Aditya Birla Sun Life Cash Manager)	47,694.76	268.02	47,694.76	-	255.62
Aditya Birla Sun Life Short Term Fund - Growth-Regular Plan	-	-	7,22,037.30	7,22,037.00	276.44
Aditya Birla Sunlife - Savings Fund (Growth) Direct Plan	1,11,825.79	525.87	1,11,825.79	-	497.97
Axis Banking & PSU Debt Fund - Direct Growth	70,990.71	1,624.67	70,990.71	-	1,552.61
Axis Corporate Debt Fund - Direct Growth	1,67,16,251.75	2,502.81	1,67,16,251.75	-	2,383.74
Axis Dynamic Bond Fund - Direct Plan - Growth Plan	15,75,916.40	426.27	15,75,916.40	-	410.99
Axis Liquid Fund - Direct Growth	4,271.40	106.82	4,271.40	-	100.98
Axis Short Term Fund -Direct Growth - STDG	-	-	81,39,799.93	-	2,171.93
Axis Strategic Bond Fund - Regular Growth	31,37,802.89	731.88	31,37,802.89	-	700.20
Axis Strategic Bond Fund -Direct Growth - IFDG	23,86,221.95	602.56	23,86,221.95	23,86,221.00	572.52
Axis Ultra Short Term Fund Direct Growth	29,59,704.81	390.47	29,59,704.81	-	369.02
Axis CRISIL IBX SDL May 2027 Index Fund - Direct Growth	1,46,93,199.10	1,519.67	-	-	-
BHARAT Bond FOF - April 2023 - Direct Plan Growth	29,40,599.88	359.35	29,40,599.88	-	343.35
Bnp Paribas Arbitrage Fund Direct Growth	5,06,678.00	72.24	5,06,677.76	-	68.62
Edelweiss BHARAT Bond FOF -April 2023 - Direct Plan Growth - FFD1	2,15,64,399.14	2,635.23	2,15,64,399.14	-	2,517.88
Edelweiss BHARAT Bond FOF -April 2025 - Direct Plan Growth - O5D1	2,99,66,136.65	3,326.87	2,99,66,136.65	-	3,243.23

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (in nos.)	Amount	Units (in nos.)	Units (On Lien)	Amount
Edelweiss BHARAT Bond FOF -April 2025 - Regular Plan Growth - O5RG	4,00,12,706.57	4,442.25	4,00,12,706.57	-	4,330.57
Edelweiss Nifty PSE Bond Plus Fund	60,81,054.86	699.39	-	-	-
DSP Banking and PSU Debt Fund - Dir - Growth	16,07,119.90	334.64	16,07,119.90	-	320.97
DSP Corporate Bond Fund - Dir - Growth	94,83,320.62	1,295.26	1,12,90,332.15	67,80,764.00	1,502.87
DSP Floater Fund - Dir-G	48,06,204.17	527.62	48,06,204.17	-	504.56
Edelweiss Arbitrage Fund - Direct Plan Growth	1,86,94,266.25	3,262.19	42,24,275.67	-	696.31
Franklin India Low Duration Fund Growth Direct Plan	26,21,330.63	9.68	35,12,585.67	-	12.20
HDFC Arbitrage Fund - Wholesale Plan - Growth - Direct Plan	1,36,920.65	23.26	1,36,920.65	-	22.02
HDFC Banking and PSU Debt Fund - Direct Growth Option	1,28,27,343.09	2,568.33	1,28,27,343.09	29,14,513.00	2,457.62
HDFC Corporate Bond Fund - Direct Plan - Growth Option (formerly HDFC Medium term Opportunities Fund, erstwhile HDFC Gilt Fund Short Term, HDFC Floating Rate Income Fund - Long Term Plan merged)	27,53,924.55	760.61	27,53,924.55	-	729.28
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	12,73,132.22	539.43	12,73,132.22	-	510.46
HDFC Short Term Debt Fund - Regular Plan - Growth	-	-	5,51,161.57	5,51,161.00	141.61
HDFC Ultra Short Term Fund - Direct Growth	1,91,70,770.05	2,512.50	1,91,70,770.05	-	2,379.63
HDFC Nifty G-Sec Dec 2026 Index Fund Direct Growth	2,91,37,204.32	3,000.58	-	-	-
HDFC Nifty G-Sec Jun 2027 Index Fund Direct Growth	1,95,74,813.83	2,000.13	-	-	-
ICICI Prudential - Savings Fund (G) Direct	1,82,276.90	843.20	1,82,276.90	-	797.85
ICICI Prudential Banking & PSU Debt Fund Direct Plan- Growth	27,91,242.94	795.38	27,91,242.94	-	751.41
ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth	35,97,485.47	1,025.13	35,97,485.47	35,97,485.00	968.45
ICICI Prudential Banking and PSU Debt Fund Regular Plan - Growth	11,87,039.43	326.99	11,87,039.43	-	310.23
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	52,96,277.05	1,378.50	1,45,33,026.25	-	3,573.12
ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth	44,75,911.18	1,385.40	44,75,911.18	-	1,311.02
ICICI Prudential Savings Fund - Growth (formerly ICICI Prudential Mutual Fund - Flexible Income Plan)	30,287.65	138.56	30,287.65	-	131.26
ICICI Prudential Short Term Fund - Direct Plan - Growth Option (formerly ICICI short term plan)	45,36,408.70	2,466.37	45,36,408.70	41,51,830.00	2,315.62

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (in nos.)	Amount	Units (in nos.)	Units (On Lien)	Amount
ICICI Prudential Short Term Fund - Growth Option	9,39,350.34	474.65	11,47,993.59	11,47,993.00	548.60
Bandhan Bond Fund Short Term (G) Direct (formerly known as IDFC - Bond Fund ST (G) Direct)	21,87,724.94	1,116.44	21,87,724.94	-	1,071.92
Bandhan Arbitrage Fund -Growth- Direct Plan (formerly known as IDFC Arbitrage Fund-Growth- (Direct Plan))	87,58,958.14	2,584.00	87,58,958.14	-	2,444.92
Bandhan Banking & PSU Debt Fund (G) Direct (formerly known as IDFC Banking & PSU Debt Fund-Direct Plan-Growth)	1,25,67,787.37	2,683.59	31,02,194.13	-	632.82
Bandhan Banking & PSU Debt Fund - Regular Plan - Growth (formerly known as IDFC Banking & PSU Debt Fund-Regular Plan-Growth)	12,33,000.01	263.28	12,33,000.01	-	251.52
Bandhan Corporate Bond Fund Direct Plan - Growth (formerly known as IDFC Corporate Bond Fund Direct Plan-Growth)	1,39,18,299.55	2,310.74	5,32,63,604.93	-	8,543.59
Bandhan Credit Risk Fund Direct Plan - Growth (formerly known as IDFC Credit Risk Fund-Direct Plan-Growth)	29,06,357.17	435.44	29,06,357.17	-	415.47
Bandhan Credit Risk Fund Regular Plan - Growth (IDFC Credit Risk Fund-Regular Plan -Growth)	34,23,699.96	483.18	34,23,699.96	-	465.38
Bandhan Low Duration Fund - Growth - Direct Plan (formerly known as IDFC Low Duration Fund-Growth-Direct Plan)	21,14,407.81	707.94	21,14,408.14	-	673.66
Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Growth (formerly known as IDFC CRISIL IBX Gilt June 2027 Index Fund Direct Growth)	4,67,33,182.64	5,103.49	-	-	-
Bandhan Floating Rate Fund Direct Plan - Growth (formerly known as IDFC Floating Rate Fund DIR Plan- GR)	2,89,617.00	31.81	2,89,616.72	-	30.33
Invesco - India Short Term Fund (G) Direct	25,352.29	834.93	25,352.29	-	802.52
Invesco India - Arbitrage fund (G) Direct	1,74,52,001.17	5,053.31	-	-	-
Kotak - Bond STP (G) Direct	35,46,829.49	1,692.67	64,88,229.66	-	2,964.85
Kotak - Equity Arbitrage Fund (Growth) Direct Plan	1,02,16,905.43	3,427.60	11,82,834.70	-	374.59
Kotak Banking and PSU Debt Fund Direct Growth	14,01,875.71	797.29	14,01,875.71	-	760.95
Kotak Corporate Bond Fund Direct Growth	11,785.81	386.13	11,785.81	-	369.24
Kotak Overnight Fund (G) Direct	4,882.71	58.39	-	-	-
HSBC Short Term Bond Fund - Growth (formerly L&T Short Term Bond Fund - Growth)	33,55,055.13	751.79	33,55,055.13	33,55,055.13	726.72
HSBC Short Duration Fund Direct Growth (formerly L&T Short Term Bond Fund Direct Plan - Growth)	73,56,069.13	1,728.93	1,66,94,113.68	-	3,774.68

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for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (in nos.)	Amount	Units (in nos.)	Units (On Lien)	Amount
HSBC Corporate Bond Fund Direct - Growth (formerly known as L&T Triple Ace Bond Fund Direct Plan - Growth)	56,76,484.97	3,693.00	56,76,484.97	46,83,467.00	3,568.22
HSBC Ultra Short Duration Fund (formerly known as L&T Ultra Short Term Fund Direct Plan - Growth)	1,22,645.55	1,427.17	37,17,928.91	-	1,352.98
Nippon India Arbitrage Fund - Direct Growth	38,96,708.92	940.62	38,96,708.92	-	889.54
Nippon India Banking & PSU Debt Fund - Direct Growth Plan	34,56,144.67	622.11	34,56,144.67	-	596.35
Nippon India Floating Rate Fund - Direct Growth	16,53,443.06	653.37	16,53,443.06	-	624.08
Nippon India Short Term Fund - Direct Growth Plan Growth Option	-	-	31,04,391.75	-	1,413.36
Nippon India Strategic Debt Fund Segregated Portfolio 2 (G)	15,27,172.21	-	15,27,172.21	-	-
SBI Banking & PSU Fund Direct Growth (formerly SBI Treasury Advantage Fund)	28,083.04	779.31	28,083.04	-	749.27
SBI Corporate Bond Fund - Direct Plan - Growth	-	-	1,51,28,097.77	-	1,932.63
SBI Credit Risk Fund Direct Growth	7,37,846.74	297.22	7,37,846.74	-	282.15
SBI Floating Rate Debt Fund Growth Direct	47,65,797.04	533.58	47,65,797.04	-	507.65
SBI Magnum Medium Duration Fund Regular Growth	18,58,213.28	828.20	18,58,213.28	-	791.46
SBI Magnum Medium Duration Fund Regular Growth (formerly SBI Regular Savings Fund)	10,28,315.63	441.91	10,28,315.63	-	423.56
SBI Magnum Ultra Short Duration Fund Direct Growth	45,056.09	2,324.18	45,056.09	-	2,206.43
SBI Arbitrage Opportunities Fund (G) Direct	1,50,99,211.31	4,562.94	-	-	-
UTI Corporate Bond Fund - Direct Growth Plan	2,69,368.00	37.71	2,69,367.53	-	36.10
UTI Credit Risk Fund (Segregated - 06032020) - Regular Growth Plan	20,00,253.37	-	20,00,253.37	-	-
UTI Short Term Income Fund - Direct Growth Plan	19,29,868.00	542.76	48,69,601.04	19,29,868.00	1,302.94
UTI Short Term Income Fund - Regular Growth Plan	-	-	22,37,015.21	22,37,015.21	572.64
Tata Short Term Bond Fund - Direct Plan - Growth	2,47,737.00	109.83	2,47,737.43	-	104.76
Tata Money Market Fund (G) Direct	26,332.55	1,065.96	-	-	-
Tata CRISIL IBX Gilt Index April 2026 Index Fund (G) Direct	4,81,59,261.13	4,999.61	-	-	-
TATA Nifty G-Sec Dec 2026 Index Fund-Direct-Growth	99,99,600.02	1,013.68	-	-	-
<b>Total</b>		<b>1,07,547.41</b>			<b>87,446.18</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023		As at March 31, 2022		
	Units (in nos.)	Amount	Units (in nos.)	Units (On Lien)	Amount
Aggregate amount of quoted investments		1,07,547.41			87,446.18
Aggregate market value of quoted investments		1,07,547.41			87,446.18

### Investment in Liquid mutual funds

#### Note:

- a) The investment marked under lien are given as security to HDFC Bank for working capital loan as at March 31, 2023 : Nil (March 31, 2022: INR 17,384.13 lacs). The lien has been subsequently removed during the year ended March 31, 2023.

## 11 Other financial assets

### (at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current</b>		
<b>(Unsecured and considered good)</b>		
Security deposits and earnest money deposits	1,342.68	997.54
Security deposits to related parties (refer note 43)	62.69	246.25
Bank deposits with maturity of more than 12 months	8,681.03	538.66
Bank deposits under lien (refer note (a) below)	931.74	331.67
Other receivable (refer note (b) below) (also refer note 43)	-	178.53
	<b>11,018.14</b>	<b>2,292.65</b>
<b>Current</b>		
<b>(Unsecured and considered good)</b>		
Security deposits	833.65	729.75
Security deposits to related parties (refer note 43)	534.61	430.44
Recoverable from related parties (refer note 43)	0.17	9.68
Advance towards share issue expenses (refer note (c) below)	4,043.58	-
Other receivable (refer note (b) below) (also refer note 43)	185.96	223.84
	<b>5,597.97</b>	<b>1,393.71</b>

#### Notes:

- a. Bank deposits are lien marked with banks against the bank guarantees issued to government authorities.
- b. Other receivable includes outstanding balance recoverable on sale of investment in partnership firm i.e. Om Sai Pharma Pack.
- c. The Holding Company has incurred share issue expenses in connection with proposed public offer of equity shares amounting to INR 4,043.58 lacs (March 31, 2022: INR Nil). In accordance with the Companies Act 2013 (the Act) and also as per the Offer Agreement entered between the Holding Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Holding Company will recover the expenses incurred in connection with the Issue on completion of Initial Public Offer (IPO). The entire amount has been disclosed under this head.



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 12 Income tax assets and liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current tax assets</b>		
Income tax assets (net of provisions for income tax)	10,251.53	7,982.42
	<b>10,251.53</b>	<b>7,982.42</b>
<b>Current tax liabilities</b>		
Current tax liabilities (net of advance tax)	4,625.55	1,508.96
	<b>4,625.55</b>	<b>1,508.96</b>

### 13 Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current</b>		
<b>(unsecured and considered good)</b>		
Balances with Government authorities (paid under protest)	1217.06	1,294.47
Capital advances	5,880.41	5,864.27
Prepaid Expenses	238.03	259.69
<b>(unsecured and considered doubtful)</b>		
Capital advances	1,257.06	1,257.06
Less: Allowance for doubtful advances (refer note (a) below)	(1,257.06)	(1,257.06)
	<b>7,335.50</b>	<b>7,418.43</b>
<b>Current</b>		
<b>(unsecured and considered good)</b>		
Prepaid expenses	3,316.00	13,601.22
Advances to vendors (refer note (c) below)	3,039.51	6,761.36
Advances to employees	317.28	318.11
Balances with government authorities	56,738.93	72,124.78
Government grant receivable (refer note (b) below)	2,860.53	3,184.31
Other receivables	66.93	-
<b>(unsecured and considered doubtful)</b>		
Advances to vendors	177.73	262.30
Advances to employees	135.78	1.43
Other receivables	54.49	54.49
Balances with government authorities	42.32	-
Less: Allowance for doubtful advances (refer note (a) below)	(410.32)	(318.22)
	<b>66,339.18</b>	<b>95,989.78</b>

#### Note:

- a. The Group has assessed recoverability of advances for purchase of immovable properties given to few parties. Considering the current market conditions and ongoing status of these advances, the Group had created an allowance for doubtful advances.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### Movement in allowance for doubtful advances

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Balance as at the beginning of the year</b>	<b>1,575.28</b>	<b>3,418.13</b>
Provision recognised during the year	193.52	302.61
Provision utilised during the year	(101.42)	(2,145.46)
<b>Balance as at the end of the year</b>	<b>1,667.38</b>	<b>1,575.28</b>
<b>b. Movement of government grant receivable:</b>		
Balance as at the beginning of the year	3,184.31	6,761.18
Add: Income/incentive accrued during the year	3,392.37	3,793.52
Less: grant income & export incentive received	(3,716.15)	(7,370.39)
<b>Balance as at the end of the year</b>	<b>2,860.53</b>	<b>3,184.31</b>

Government grant receivable includes assistance in the form of export incentives under Foreign Trade Policy and budgetary support in respect of GST paid as per the notification dated October 15, 2017, Ministry of Commerce & Industry Department of Industrial Policy and Promotions.

- c. Advance to vendor includes due to related parties INR 18.47 lacs (March 31, 2022 : INR 7.99 lacs).

### 14 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials and components		
In hand	38,477.52	38,770.11
In transit	2,958.62	1,092.23
Work-in-progress	8,603.53	9,404.05
Finished goods		
In hand	28,518.00	31,032.93
In transit	894.14	127.12
Stock in trade		
In hand	60,620.24	84,156.54
In transit	1,943.78	4,701.87
Stores and spares	3,457.12	2,364.48
Consumables	272.12	118.22
Inventories in a housing project (refer note (b) below) (also refer note 38D)	4,100.75	4,256.26
	<b>1,49,845.82</b>	<b>1,76,023.81</b>

#### Notes:

- a. Inventory write downs are recognised, considering the nature of inventory, estimated shelf life, ageing of inventory and actual scrapping of inventory as well as provisioning policy of the Group. Write downs of inventories amounted to INR 14,907.52 (March 31, 2022 : INR 11,841.50 lacs). These written down were included in the cost of raw material and components consumed and changes in inventories of finished goods, work in progress and stock in trade.
- b. Inventories of housing project pertains to a housing project being under development with Advance India Private Limited ('the collaborator'). In the earlier years, the group had measured these inventories at net realisable value and accounted loss of INR 3,100.00 lacs. In the current year ended March 31, 2023, the collaborator was able to secure bookings for entire units and offered more than 30% possessions from such units. The group based on development in the project has reversed the loss of INR 3,100.00 lacs.
- c. Method of valuation of inventories has been stated in note 2.18.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 15 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	57,073.17	38,439.20
Unsecured, considered good - related parties (refer note 43)	568.97	377.40
Unsecured, considered credit impaired	2,024.44	1,109.40
	<b>59,666.58</b>	<b>39,926.00</b>
Less: Allowance against expected credit loss	(2,024.44)	(1,109.40)
	<b>57,642.14</b>	<b>38,816.60</b>

#### 15.1 Trade Receivables ageing schedule

As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	48,501.00	8,624.98	362.42	119.85	32.52	1.37	57,642.14
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	161.63	220.82	742.75	122.88	133.19	163.74	1,545.01
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	16.26	10.81	0.60	182.55	211.33	57.88	479.43
	<b>48,678.89</b>	<b>8,856.61</b>	<b>1,105.77</b>	<b>425.28</b>	<b>377.04</b>	<b>222.99</b>	<b>59,666.58</b>

As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	30,662.25	7,576.59	448.03	124.67	4.27	0.79	38,816.60
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable – credit impaired	103.59	102.32	105.56	135.64	94.15	112.95	654.21
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	20.57	0.02	173.62	6.90	192.90	61.18	455.19
	<b>30,786.41</b>	<b>7,678.93</b>	<b>727.21</b>	<b>267.21</b>	<b>291.32</b>	<b>174.92</b>	<b>39,926.00</b>

- Trade receivables represents the amount of consideration in exchange of goods or services transferred to the customers that is unconditional.
- The average credit period to domestic customers ranges upto 21 days and to export customers upto 180 days. Our credit terms for government institutions are typically ranging from 90 to 120 days. No interest is charged on trade receivables upto the due date from the date of the invoice.
- The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and adjusted for forward looking information.
- No trade or other receivables are due from directors or other officers or private companies or partnership firms in which such director is a director or member or partner of the Group either severally or jointly with any other person apart from those mentioned below:

Particulars	As at March 31, 2023	As at March 31, 2022
Next Wave (India)	39.60	0.08
Pathkind Diagnostics Private Limited	2.55	5.40
Star Infra Developers Private Limited	-	0.36
Ayushi and Poonam Estates LLP	-	0.68
Intercity Corporate Towers LLP	0.06	-
	<b>42.21</b>	<b>6.52</b>

#### e. Movement in allowance for expected credit loss:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	1,109.40	446.66
Provision for expected credit losses recognised during the year (refer note 36)	915.04	662.74
Balance at the end of the year	<b>2,024.44</b>	<b>1,109.40</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 16 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- on current Account	29,735.25	28,859.85
- on deposit account with original maturity of less than 3 months	701.08	1,140.55
Cash on hand	45.74	24.57
Cheques on hand	-	228.50
	<b>30,482.07</b>	<b>30,253.47</b>

#### Notes:

- There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.
- The deposits maintained by the Group with bank comprises of time deposits, which may be withdrawn by the Group at any point of time without prior notice and are made for varying period between one day to three months depending on the immediate cash requirements of the Group to earn interest at the respective short term deposit rates.
- Break up of financial assets carried at amortised cost:

Particulars	As at March 31, 2023	As at March 31, 2022
Loans (non-current)	-	2.88
Other financial assets (non-current)	11,018.14	2,292.65
Trade receivables (current)	57,642.14	38,816.60
Cash and cash equivalents (current)	30,482.07	30,253.47
Other bank balances (current)	14,837.79	10,340.68
Loans (current)	163.26	119.44
Other financial assets (current)	5,597.97	1,393.71

### 17 Other bank balances (carried at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits with original maturity of more than three months but remaining maturity of less than twelve months (refer note (a) below)	13,906.88	6,601.88
Fixed deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	224.22	3,629.40
Fixed deposits under lien (refer note (b) below)	706.69	109.40
	<b>14,837.79</b>	<b>10,340.68</b>

#### Note:

- Short-term deposits are made of varying periods between one day to twelve months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposits rates.
- Fixed deposits are lien marked with banks issued to various government authorities/ institutions as margin/ deposits for performance guarantee.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 18 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non - Current</b>		
<b>(unsecured and considered good, valued at amortised cost)</b>		
Loans to employees	-	2.88
	-	<b>2.88</b>
<b>Current</b>		
<b>(unsecured and considered good, valued at amortised cost)</b>		
Loan to employees	163.26	119.44
	<b>163.26</b>	<b>119.44</b>

#### Notes:

- Movement in allowance for doubtful advances**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance as at the beginning of the year	-	1,946.63
Provision written back during the year	-	(1,751.30)
Provision utilised during the year	-	(195.33)
Balance as at the end of the year	-	-

### 19 Assets classified as held for sale

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amounts of:		
Freehold land	318.78	270.20
Plant and machinery	12.78	27.96
	<b>331.56</b>	<b>298.16</b>

#### Note:

- The Group classifies item of Property, Plant and Equipment retired from active use and held for sale are recognised and measured in accordance with Ind-AS 105 Non Current Assets Held For Sale and Discontinued Operations at lower of its carrying amount and fair value less cost to sell. The Group expects to complete the sale by September 30, 2023.

### 20 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised (refer note 60)</b>		
41,35,00,000 equity shares of INR 1 each (March 31, 2022: 41,35,00,000 equity shares of INR 1 each)	4,135.00	4,135.00
<b>Issued, subscribed and fully paid up</b>		
40,05,88,440 equity shares of INR 1 each fully paid up (March 31, 2022: 40,05,88,440 equity shares of INR 1 each fully paid up)	4,005.88	4,005.88
	<b>4,005.88</b>	<b>4,005.88</b>



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### Notes:

#### (i) Rights, preferences and restrictions attached to Equity Shares

The Holding Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors of Holding Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Holding Company, holder of equity shares will be entitled to receive remaining assets of the Holding Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

##### a) Issued, subscribed and fully paid up equity capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Numbers	Amount	Numbers	Amount
Equity shares outstanding at the beginning of the year	40,05,88,440	4,005.88	40,05,88,440	4,005.88
Add : Issued during the year	-	-	-	-
<b>Equity shares outstanding at the end of the year</b>	<b>40,05,88,440</b>	<b>4,005.88</b>	<b>40,05,88,440</b>	<b>4,005.88</b>

#### (iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Numbers	% holding	Numbers	% holding
<b>Equity shares</b>				
Ramesh Juneja Family Trust (held in the name of Mr. Ramesh Juneja, Managing Trustee)	8,33,52,652	20.81%	8,33,52,652	20.81%
Rajeev Juneja Family Trust (held in the name of Mr. Rajeev Juneja, Managing Trustee)	7,99,30,520	19.95%	7,99,30,520	19.95%
Prem Sheetal Family Trust (held in the name of Arora Family Private Limited, Trustee)	6,17,55,635	15.42%	6,17,55,635	15.42%
Mr. Sheetal Arora	2,38,98,836	5.97%	2,38,98,836	5.97%
Cairnhill CIPEF Limited	3,82,92,240	9.56%	3,82,92,240	9.56%
Beige Limited	3,98,58,843	9.95%	3,98,58,843	9.95%
	<b>32,70,88,726</b>	<b>81.66%</b>	<b>32,70,88,726</b>	<b>81.66%</b>

Cairnhill CIPEF Limited has pursuant to share purchase agreement dated March 31, 2023 ("SPA") transferred 1,39,24,448 Equity Shares to Hema CIPEF (I) Limited, which at the time of entering into the SPA was an affiliate (as defined under the Shareholding Agreement ("SHA") dated April 06, 2018, amended from time to time) of Cairnhill CIPEF Limited. The said Equity Shares were transferred on April 6, 2023.

Cairnhill CGPE Limited has pursuant to share purchase agreement dated March 31, 2023 ("SPA") transferred 5,97,879 and 15,01,211 Equity Shares to Hema CIPEF (I) Limited and Hema CGPE (I) Limited, respectively, each of which at the time of entering into the SPA was an affiliate (as defined under the SHA) of Cairnhill CGPE Limited, respectively. The said Equity Shares were transferred on April 6, 2023.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

#### (iv) Shares issued for consideration other than cash

The Holding Company had allotted 20,02,94,220 fully paid up equity shares of INR 1/- each on June 01, 2017 pursuant to 1:1 bonus share issue approved by the shareholders in the Extraordinary General Meeting (EGM) held on April 20, 2017, by capitalising the amount of INR 2,002.94 lacs of securities premium of the Holding Company.

(v) Authorised share capital has been increased by 35,00,000 shares of INR 1 each vide NCLT order for merger dated March 02, 2023 and supplement order dated March 21, 2023.

#### (vi) Shares held by each promoter [as per section 2(69) of the Companies Act, 2013]:

Disclosure of shareholding of promoter as at March 31, 2023 is as follows:

S. No.	Name	As at March 31, 2023		As at March 31, 2022		Change during the year	% change during the year
		Number of shares held	% of total shares	Number of shares held	% of total shares		
1	Mr. Ramesh Juneja	1,05,61,433	2.64%	1,05,61,433	2.64%	-	-
2	Ramesh Juneja Family Trust (held in the name of Mr. Ramesh Juneja, Managing Trustee)	8,33,52,652	20.81%	8,33,52,652	20.81%	-	-
3	Mr. Rajeev Juneja	1,00,05,170	2.50%	1,00,05,170	2.50%	-	-
4	Rajeev Juneja Family Trust (held in the name of Mr. Rajeev Juneja, Managing Trustee)	7,99,30,520	19.95%	7,99,30,520	19.95%	-	-
5	Mr. Sheetal Arora	2,38,98,836	5.97%	2,38,98,836	5.97%	-	-
6	Prem Sheetal Family Trust (held in the name of Arora Family Private Limited, Trustee)	6,17,55,635	15.42%	6,17,55,635	15.42%	-	-
		<b>26,95,04,246</b>	<b>67.29%</b>	<b>26,95,04,246</b>	<b>67.29%</b>		

Disclosure of shareholding of promoter as at March 31, 2022 is as follows:

S. No.	Name	As at March 31, 2022		As at March 31, 2021		Change during the year	% change during the year
		Number of shares held	% of total shares	Number of shares held	% of total shares		
1	Mr. Ramesh Juneja	1,05,61,433	2.64%	1,05,61,433	2.64%	-	-
2	Ramesh Juneja Family Trust (held in the name of Mr. Ramesh Juneja, Managing Trustee)	8,33,52,652	20.81%	8,33,52,652	20.81%	-	-
3	Mr. Rajeev Juneja	1,00,05,170	2.50%	1,00,05,170	2.50%	-	-

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

S. No.	Name	As at March 31, 2022		As at March 31, 2021		Change during the year	% change during the year
		Number of shares held	% of total shares	Number of shares held	% of total shares		
4	Rajeev Juneja Family Trust (held in the name of Mr. Rajeev Juneja, Managing Trustee)	7,99,30,520	19.95%	7,99,30,520	19.95%	-	-
5	Mr. Sheetal Arora	2,38,98,836	5.97%	2,38,98,836	5.97%	-	-
6	Prem Sheetal Family Trust (held in the name of Arora Family Private Limited, Trustee)	6,17,55,635	15.42%	6,17,55,635	15.42%	-	-
		<b>26,95,04,246</b>	<b>67.29%</b>	<b>26,95,04,246</b>	<b>67.29%</b>		

### 21 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
General reserve (refer note 21.1)	23,774.24	23,774.24
Securities premium (refer note 21.2)	4,211.74	4,211.74
Retained earnings (refer note 21.3)	8,01,220.20	6,73,518.84
Capital reserve (refer note 21.4)	(90,898.16)	(90,898.16)
Foreign currency translation reserve (refer note 21.5)	1,202.47	910.67
Employee stock options reserve (refer note 21.6) (also refer note 44)	5.91	-
	<b>7,39,516.40</b>	<b>6,11,517.33</b>

#### 21.1 General reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	23,774.24	23,774.24
Transferred from retained earnings	-	-
<b>Balance at the end of the year</b>	<b>23,774.24</b>	<b>23,774.24</b>

#### Nature and purpose of reserve:

Under the erstwhile Companies Act 1956, General Reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Group for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to General Reserve has been withdrawn. However, the amount previously transferred to General Reserve can be utilised only in accordance with provisions of the Companies Act, 2013.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 21.2 Securities premium

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	4,211.74	4,211.74
Less: Utilised during the year	-	-
<b>Balance at the end of the year</b>	<b>4,211.74</b>	<b>4,211.74</b>

#### Nature and purpose of reserve:

Securities premium is used to record premium on issue of shares. The reserves can be utilised only for limited purposes in accordance with provisions of the Companies Act, 2013.

### 21.3 Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	6,73,518.84	5,30,350.82
Profit for the year	1,28,185.91	1,43,347.59
Other comprehensive income/(loss) for the year, net of income tax	(484.55)	(89.96)
Adjustment on account of acquisition/disinvestment in subsidiary companies from NCI	-	(89.61)
<b>Balance at the end of the year</b>	<b>8,01,220.20</b>	<b>6,73,518.84</b>

#### Nature and purpose of reserve:

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Consolidated Statement of Profit and Loss.

The amount that can be distributed by the Group as dividends to its equity shareholders, is determined based on the requirements of Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

### 21.4 Capital reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	(90,898.16)	(90,898.16)
Add: Adjustment during the year	-	-
<b>Balance at the end of the year</b>	<b>(90,898.16)</b>	<b>(90,898.16)</b>

The negative capital reserve of INR 90,898.16 lacs includes following:-

- INR (46,800.14 lacs) being the difference between the consideration paid by the group and the share capital of the transferor entities namely; Relax Pharmaceutical Private Limited, Copmed Pharmaceutical Private Limited, Mediforce Healthcare Private Limited and Medipack innovation private Limited being amount of (INR 11,302.20 lacs), (INR 19,186.68 lacs), (INR 5,708.08 lacs), and INR 17.16 lacs respectively acquired on April 01, 2017 and Pharma Force Labs (Partnership firm) and Penta Latex LLP (a limited liability partnership firm) being amount of (INR 6,885.67 lacs) and (INR 3,734.67 lacs) respectively acquired on April 01, 2018, accounted as common control business acquisitions in accordance with Appendix C to Ind AS 103: Business Combination of Entities under Common Control.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- b) INR (44,098.02 lacs) being net assets transferred in financial year 2018-19 in respect of the Group's leasing business to a related party, Mankind Biosys Limited in accordance with the Scheme of Demerger approved by the Hon'ble National Company Law Tribunal on May 18, 2018.

### 21.5 Foreign currency translation reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	910.67	755.86
Exchange differences in translating the financial statements of foreign operations	291.80	154.81
<b>Balance at the end of the year</b>	<b>1,202.47</b>	<b>910.67</b>

#### Nature and purpose of reserve:

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in foreign currency translation reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

### 21.6 Employee stock options reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	-
Increase/(decrease) during the year	5.91	-
<b>Balance at the end of the year</b>	<b>5.91</b>	<b>-</b>

The fair value of the equity-settled share based payment transactions with employees is recognised in Employee Stock Options Reserve.

## 22 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>(Secured, at amortised cost)</b>		
<b>Term loans</b>		
Term loans from bank (secured) {refer note (a) below}	4,489.71	6,650.25
<b>Working Capital Loans</b>		
Working capital loan under ECLGS (secured) {refer note (c) below}	248.00	451.11
Working Capital Loans (secured){refer note (e) below}	-	162.32
<b>Vehicle Loans</b>		
Vehicle Loan (secured) {refer note (d) below}	23.77	55.40
<b>(Unsecured, at amortised cost)</b>		
Term loans (unsecured) {refer note (b) below}	-	25.00
	<b>4,761.48</b>	<b>7,344.08</b>
<b>Less: Current maturities of long term borrowings (secured)</b>		
Current maturities of Term loan	(2,434.23)	(2,274.43)
Current maturities of working capital loan	(6.37)	(138.85)
Current maturities of vehicle loan	(6.23)	(11.40)
	<b>2,314.65</b>	<b>4,919.40</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
<b>(Secured, at amortised cost)</b>		
<b>Working Capital Demand Loans</b>		
Working capital demand loan (secured) {refer note (f) below}	9,407.65	67,752.47
<b>Cash Credit Facility</b>		
Cash credit facility from bank (secured) {refer note (g) below}	2,094.51	4,228.67
<b>Bill Discounted</b>		
Vendor bill discounting {refer note (h) below}	-	241.03
<b>Overdraft Facility</b>		
Bank overdraft {refer note (i) below}	-	890.87
<b>(Unsecured, at amortised cost)</b>		
Loans from related parties {refer note (j) below} (refer note 43)	-	345.60
Loan from bank {refer note (k) below}	-	6,000.00
	<b>11,502.16</b>	<b>79,458.64</b>
<b>Add: Current maturities of long term borrowings</b>		
Current maturities of long term borrowing	2,446.83	2,424.68
	<b>13,948.99</b>	<b>81,883.32</b>



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### a) The details of repayment terms, rate of interest, and nature of securities provided in respect of secured term loans from banks are as below:

Nature of security	Terms of repayment and rate of interest	As at March 31, 2023	As at March 31, 2022
<p>Term loan includes loan obtained by a subsidiary (Penta Latex LLP) from HDFC Bank. The loan was obtained for the purpose of fresh capital expenditure.</p> <p>The above loan is secured by way of following:</p> <p>i) First and exclusive charge by way of hypothecation on entire current assets of borrower both present and future of Penta Latex LLP.</p> <p>ii) Personal Guarantee of partners of the firm, Mr. Arun Kumar Vasistha, Mr. Dhruv Mehendiratta and Mr. Arijun Juneja (on behalf of Mankind Pharma Limited).</p> <p>iii) First and exclusive charge on land and proposed building on Plot No.1, Sector 8A, IIE, SIDCUL, UK- 249403.</p> <p>iv) First and exclusive charge on Plot No. 49 and 50 Sector 2, IIE, SIDCUL, UK- 249403.</p> <p>v) First and exclusive charge by the way of hypothecation on entire movable fixed assets of borrower both present and future.</p>	<p>INR 2,750.00 lacs (March 31, 2022 : INR 2,750.00 lacs) sanctioned &amp; availed which is repayable over the period of 6 years including 6 months moratorium period, last instalment being payable in November, 2026 as per terms of agreement.</p> <p>Rate of interest - 7.00% p.a. to 9.83% p.a. (March 31, 2022 : 7.00% p.a. to 7.45% p.a.)</p>	1,332.67	1,775.98
<p>Term loan includes loan obtained by a subsidiary (North East Pharma Pack) from HDFC bank towards capex requirement.</p> <p>The above loan is secured by way of following:</p> <p>(i) exclusive charge on all present and future movable Property, plant and equipment, stocks and book debts of North East Pharma Pack.</p> <p>(ii) exclusive charge on land and building of factory premises and,</p> <p>(iii) personal guarantee given by all natural partners and individual acting as representative partners on behalf of companies.</p> <p>Term loan includes loan obtained by a subsidiary (Packtime Innovation Private Limited) from Citi Bank. These facilities are secured by way of first and exclusive charge on Property, plant and equipment including Plant &amp; Machinery of the subsidiary Company.</p>	<p>Total loan obtained amounting to INR 1,767.72 lacs (March 31, 2022: INR 1,767.72 lacs) repayable within 6 years from date of disbursement and repayable by August 2024 and May 2025</p> <p>Rate of interest- 8.00% to 10.00% p.a. (March 31, 2022: 8.00% to 10.00% p.a.)</p> <p>Total loan having sanctioned &amp; availed amounting to INR 5,000.00 lacs (March 31, 2022: INR 5,000.00 lacs) and repayable by May 2024, October 2024 and July 2025</p> <p>Interest rate in the range of TBILL+(2.03 to 4.49) p.a.</p>	836.50	1,216.63
<b>Total</b>		<b>4,489.71</b>	<b>6,650.25</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### b) The details of repayment terms provided in respect of unsecured term loans are as below:

Particulars	Terms of repayment	As at March 31, 2023	As at March 31, 2022
Subsidiary Mahananda Spa and Resorts Private Limited has obtained an unsecured loan from Mr. M.N Sharma	The total loan obtained INR 25.00 lacs which was initially repayable by July 2024, fully repaid during year ended March 31, 2023.	-	25.00
<b>Total</b>		<b>-</b>	<b>25.00</b>

### c) The details of repayment terms, rate of interest and nature of securities provided in respect of working capital loans from banks are as below:

Nature of security	Terms of repayment and rate of interest	As at March 31, 2023	As at March 31, 2022
<p>Working capital term loan under ECLGS ("Emergency Credit Line Guaranteed Scheme") obtained by a subsidiary (Medipack Innovations Private Limited) from HDFC bank. This facility is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the bank and covered by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Limited (Ministry of Finance, Government of India)).</p> <p>Purpose of the loan is to augment working capital requirements to enable business unit to meet operating liabilities &amp; restart / increase operations.</p>	<p>Working capital facility obtained to INR 130.93 lacs (March 31, 2022 : INR 130.93 lacs) was initially repayable in 36 monthly instalments after moratorium of 12 months by July 2025, fully repaid during the year ended March 31, 2023.</p> <p>Rate of interest- 8.25% p.a. (March 31, 2022 : 8.25% p.a.)</p>	-	105.11
<p>Working capital term loan includes loan obtained by a subsidiary (Penta Latex LLP) under ECLGS ("Emergency Credit Line Guaranteed scheme") from HDFC bank. The loan is obtained for the purpose to augment the working capital requirement to enable business unit to meet operating liabilities and restart / increase operations.</p> <p>This facility is secured by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Limited (Ministry of Finance, Government of India)).</p> <p>The Loan has been secured by extension of second charge over existing primary and collateral securities including mortgages created in favour of the bank.</p>	<p>Working capital facility obtained to INR 496.00 lacs (March 31, 2022 : INR 496.00 lacs) repayable in 36 monthly equated instalments after moratorium of 12 months by January 2025</p> <p>Rate of interest- 8.00% p.a. (March 31, 2022 : 7.05% p.a.)</p>	248.00	346.00
<b>Total</b>		<b>248.00</b>	<b>451.11</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

d) The details of repayment terms, rate of interest, and nature of securities provided in respect of vehicle loans from banks are as below:

Nature of security	Terms of repayment and rate of interest	As at March 31, 2023	As at March 31, 2022
Vehicle loan obtained by a subsidiary (Medipack Innovations Private Limited), this is secured by hypothecation of respective vehicle.	This loan is payable in 39 monthly installments from the date of disbursement and repayable by December 2024 Rate of interest- 7.30% p.a. (March 31, 2022 : 7.30% p.a.)	11.41	17.22
Vehicle loan obtained by a subsidiary (Packtime Innovations Private Limited), this is secured by hypothecation of respective vehicle.	This loan is payable in 39 monthly installments from the date of disbursement and repayable by February 2025 Rate of interest- 7.30% p.a. (March 31, 2022 : 7.30% p.a.)	12.36	18.16
Vehicle loan obtained by a subsidiary (North East Pharma Pack), this is secured by hypothecation of respective vehicle.	This loan was initially payable in 37 monthly instalments by May 2025, fully repaid during year ended March 31, 2023	-	20.02
<b>Total</b>	Rate of interest- 8.25% p.a. (March 31, 2022 : 8.25% p.a.)	<b>23.77</b>	<b>55.40</b>

e) The details of repayment terms, rate of interest, and nature of securities provided in respect of working capital loans from banks are as below:

Nature of security	Terms of repayment and rate of interest	As at March 31, 2023	As at March 31, 2022
Working capital facility availed by a subsidiary (Medipack Innovations Private Limited) from HDFC bank. These facilities are secured by primary security of hypothecation by way of first and exclusive charge on all present and future current assets of the subsidiary. Further it is also been secured by collateral security of immovable property of the subsidiary situated at Plot 14B, Gondpur, Paonta Sahib, Industrial Area, Phase III, Himachal Pradesh.	Working capital facility obtained to INR 400.00 lacs was initially repayable in 60 equal instalments upto December 2023, fully repaid during the year ended March 31, 2023. Rate of interest- 9.25% p.a. (MCLR+0.55 basis point) (March 31, 2022 : 9.25% p.a. (MCLR+0.55 basis point))	-	162.32
<b>Total</b>		<b>-</b>	<b>162.32</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

f) The details of rate of interest, and nature of securities provided in respect of working demand capital loans from banks are as below:

Nature of security	Rate of interest	As at March 31, 2023	As at March 31, 2022
Working capital loan includes loan obtained by a subsidiary (Packtime Innovations Private Limited) from CITI Bank. These facilities are secured by following:-	Working capital demand loan obtained to INR 26,370.00 lacs from Citi Bank, repaid during the year ended March 31, 2023.	6,942.23	3,350.00
(i) exclusive charge on present and future inventory and book debts of Packtime Innovations Private Limited.	Rate of interest- 7.20% p.a. (March 31, 2022 : 7.20% p.a.)		
(ii) exclusive charge on entire present and future moveable Property, plant and equipment of Packtime Innovations Private Limited.			
(iii) Corporate Guarantee by Mankind Pharma Limited, Holding Company.			
Secured working capital demand loan includes loan obtained by the subsidiary (Lifestar Pharma LLC) from CITI bank in the previous year. This loan is secured against corporate Guarantee given by Mankind Pharma Limited, Holding Company.	Rate of interest : 30-day floating LIBOR plus a spread of 150 basis points. The loan has a tenure of 1 year.	2,465.42	2,277.31
Secured working capital demand loan includes loan obtained by the Holding Company from CITI bank N.A. This loan is secured by way of first pari passu charge on current assets (book debts), both present and future.	Total loan sanctioned amounting to INR 29,500.00 lacs (March 31, 2022 : INR 29,500.00 lacs). The loan has been repaid entirely during the year ended March 31, 2023. Rate of interest- 4.22% to 6.40% p.a. (March 31, 2022 : 3.90% to 4.00% p.a.)	-	22,500.00
Secured working capital demand loan includes loan obtained by the Holding Company from HDFC bank. This loan is secured by way of first pari passu charge on stock in trade and book debts of the Holding Company. The loan was obtained for working capital limit.	Total loan sanctioned amounting to INR 25,000.00 lacs (March 31, 2022 : INR 25,000.00 lacs). The loan has been repaid entirely during the year ended March 31, 2023. Rate of interest- 4.25% to 6.40% p.a. (March 31, 2022 : 4.06% to 6.95% p.a.)	-	22,500.00

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Nature of security	Rate of interest	As at March 31, 2023	As at March 31, 2022
Secured working capital demand loan includes loan obtained by the Holding Company against securities from HDFC bank during the previous year. The Holding Company has availed a loan against securities facility from HDFC bank. This loan is secured by way of first pari passu charge on investments in mutual funds. It includes interest accrued but not due amounting to INR Nil (March 31, 2022 : INR 125.16 lacs).	Total loan sanctioned amounting to INR 10,000.00 lacs (March 31, 2022 : INR 10,000.00 lacs). The loan has been repaid entirely during the year ended March 31, 2023. Rate of interest- 5.90% p.a. (March 31, 2022: 5.90% p.a.)	-	7,125.16
Working capital loan includes loan obtained by the Holding Company from Kotak Mahindra Bank during the previous year. The loan is secured by the way of first pari-passu hypothecation charge on all existing and future current assets of the Holding Company to be shared with other working capital vendors. The loan was obtained for working capital limit.	Total loan sanctioned amounting to INR 17,000.00 lacs (March 31, 2022 : INR 17,000.00 lacs). The loan has been repaid entirely during the year ended March 31, 2023. Rate of interest- 5.50% to 6.90% p.a. (March 31, 2022: 5.50% p.a.)"	-	10,000.00
<b>Total</b>		<b>9,407.65</b>	<b>67,752.47</b>

### g) The details of rate of interest and nature of securities provided in respect of cash credit facilities from banks are as below:

Nature of security	Rate of interest	As at March 31, 2023	As at March 31, 2022
Cash credit facilities availed by a subsidiary (North East Pharma Pack) from HDFC bank. The above loan is secured by way of following: (i) exclusive charge on all present and future movable Property, plant and equipment, stocks and book debts of North East Pharma Pack. (ii) exclusive charge on land and building of factory premises and, (iii) personal guarantee given by all natural partners and individual acting as representative partners on behalf of companies.	Cash credit facility availed to INR 600.00 lacs (March 31, 2022 : INR 600.00 lacs). The loan has been repaid entirely during the year ended March 31, 2023. Rate of interest- 9.25% p.a. (March 31, 2022 : 9.25% p.a.)	-	553.98

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Nature of security	Rate of interest	As at March 31, 2023	As at March 31, 2022
Cash credit limit availed by a subsidiary (Medipack Innovations Private Limited) from HDFC bank. These facilities are secured by primary security of hypothecation by way of first and exclusive charge on all present and future current assets of the subsidiary. Further, it is also been secured by collateral security of immovable property of the subsidiary situated at Plot 14B, Gondpur, Paonta Sahib, Industrial Area, Phase III, Himachal Pradesh.	Cash credit facility availed to INR 600.00 lacs (March 31, 2022 : INR 600.00 lacs) Rate of interest- 9.25% p.a. (MCLR+0.55 basis point) (March 31, 2022 : 9.25% p.a. (MCLR+0.55 basis point))	69.22	537.24
Cash credit facility obtained by a subsidiary (JPR Labs Private Limited) from HDFC bank. It is secured by way of following: i) hypothecation by way of first and exclusive charges on all present and future current assets inclusive of stocks and book debts of JPR Labs Private Limited. ii) Equitable mortgage of the self occupied properties at Plot no. 74/A, Pharma City, Thanam Village, Parwada Mandal, Vishakhapatnam. iii) Corporate guarantee of Mankind Pharma Limited (Holding Company).	Cash credit facility availed to INR 3,000.00 lacs (March 31, 2022 : INR 3,500.00 lacs) Rate of interest- 8.50% p.a. (March 31, 2022 : 7.95% p.a.)	957.15	2,160.34
Cash credit includes facility obtained by a subsidiary (Penta Latex LLP) from HDFC bank. Cash credit facility is secured by way of following: i) First and exclusive charge by way of hypothecation on entire current assets of borrower both present and future of Penta Latex LLP. ii) Personal Guarantee of partners of the firm, Mr. Arun Kumar Vasishta, Mr. Dhruv Mehendiratta and Mr. Arjun Juneja (on behalf of Mankind Pharma Limited). iii) First and exclusive charge on land and proposed building on plot no.1, Sector 8A, IIE, SIDCUL, UK- 249403. iv) First and exclusive charge on plot no. 49 and 50 Sector 2, IIE, SIDCUL, UK- 249403. v) First and exclusive charge by the way of hypothecation on entire movable Property, plant and equipment of borrower both present and future.	Cash credit facility availed to INR 1,800.00 lacs (March 31, 2022 : INR 1,200.00 lacs) Rate of interest- 8.00% p.a. (March 31, 2022 : 7.05% p.a.)	1,068.14	977.11
<b>Total</b>		<b>2,094.51</b>	<b>4,228.67</b>



**h) The details of rate of interest and nature of securities provided in respect of bill discounted from banks are as below:**

Nature of security	Rate of interest	As at March 31, 2023	As at March 31, 2022
Bank overdraft includes Bill discounting facility availed by the Holding Company for its trade payables from Citi bank for the purpose of meeting Working Capital requirement. The Holding Company has assigned all its rights and privileges to the bank and there is recourse on the Holding Company. The loan has been repaid entirely during the year ended March 31, 2023.	Rate of interest is 4.25% (March 31, 2022 : 4.25% p.a).	-	241.03
<b>Total</b>		-	<b>241.03</b>

**i) The details of repayment terms, rate of interest, and nature of securities provided in respect of bank overdraft from banks are as below:**

Nature of security	Terms of repayment and rate of interest	As at March 31, 2023	As at March 31, 2022
Overdraft facilities obtained by a subsidiary (Packtime Innovations Private Limited) from Citi Bank are secured by exclusive charge on all present and future book debts and inventory of Packtime Innovations Private Limited.	The tenure of the facility is for 12 month from the date of annual renewal, fully repaid during the year ended March 31, 2023. Rate of Interest- 7.25% p.a.	-	838.24
The overdraft facilities obtained by a subsidiary (Copped Pharmaceuticals Private Limited) from SBI bank is secured against the pledge of fixed deposit.	The tenure of the facility is equal to the remaining maturity of the aforesaid fixed deposits, fully repaid during the year ended March 31, 2023. Rate of Interest- 6% p.a.	-	51.35
The overdraft facilities obtained by a subsidiary (Medipack Innovations Private Limited) from HDFC bank. Further it is also secured by collateral security of immovable property of the subsidiary situated at Plot 14B, Gondpur, Paonta Sahib, Industrial Area, Phase III, Himachal Pradesh.	Interest rate is 9.25% (MCLR+0.55 basis Point) (March 31, 2022 : 9.25% p.a. (MCLR+0.55 basis point)). The loan has been repaid entirely during the year ended March 31, 2023.	-	1.28
<b>Total</b>		-	<b>890.87</b>

**j) Loans from related parties amounting to INR Nil (March 31, 2022: INR 345.60 lacs) are interest free loans and are repayable on demand.**

**k) The Holding Company had availed unsecured loan of INR Nil (March 31, 2022 : INR 6,000 lacs) from ICICI Bank which carries interest rate in the range of 4.60% to 6.30% p.a. (March 31, 2022 : 4.60% p.a.) against sanctioned limit of INR 18,000 lacs (March 31, 2022 : INR 6,000 lacs). The loan has been repaid entirely during the year ended March 31, 2023.**

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- l) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- m) The Group has not defaulted on financial covenants, repayment of loans and interest during the current year and previous year except as mentioned below.
- n) Quarterly returns or statements of current assets filed by the group with banks or financial institutions are in agreement with the books of accounts except to the following on account of variance of entries posted in routine book closure process which is normally concluded post filing of statements with the banks and reportings made in respect of select general ledger accounts instead of all accounts considered as per financial statement classification, the Holding Company is yet to file quarterly return with banks for the quarter ended March 31, 2023. This does not have any impact on classification of loan or any debt covenants:-

**For the year ended March 31, 2023**

**Mankind Pharma Limited:-**

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/ statement	Discrepancy
			(A)	(B)	(A-B)
June 30, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	2,03,665.47	2,04,172.49	(507.02)
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	6,06,128.93	6,06,398.52	(269.59)
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivable	64,269.26	64,422.18	(152.92)
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventory	98,524.98	98,191.94	333.04
December 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payable	78,571.82	86,592.74	(8,020.92)

**For the year ended March 31, 2023**

**JPR Labs Private Limited:-**

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/ statement	Discrepancy
			(A)	(B)	(A-B)
December 31, 2022	HDFC Bank	Inventory	3,653.12	3,611.00	42.12
December 31, 2022	HDFC Bank	Trade Receivable	1,671.23	1,546.47	124.76
December 31, 2022	HDFC Bank	Revenue	4,363.73	4,247.84	115.89
December 31, 2022	HDFC Bank	Trade Payable	2,779.68	2,450.00	329.68

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

For the year ended March 31, 2023

Penta Latex LLP:-

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
June 30, 2022	HDFC Bank	Trade Receivable	2,121.33	2,143.03	(21.70)
September 30, 2022	HDFC Bank	Trade Receivable	1,606.64	1,602.91	3.73
December 31, 2022	HDFC Bank	Trade Receivable	1,903.43	1,904.99	(1.56)
September 30, 2022	HDFC Bank	Inventory	1,710.93	1,641.24	69.69
December 31, 2022	HDFC Bank	Inventory	1,704.50	1,413.04	291.46

For the year ended March 31, 2022

Mankind Pharma Limited:-

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventory	91,830.59	1,01,502.54	(9,671.95)
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventory	85,160.72	93,148.80	(7,988.08)
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventory	93,324.13	96,917.04	(3,592.91)
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Inventory	1,22,579.16	1,31,338.95	(8,759.79)
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivable	69,002.65	43,052.96	25,949.69
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivable	76,662.53	49,275.22	27,387.31
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivable	57,588.92	40,746.20	16,842.72
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Receivable	51,729.45	26,754.13	24,975.32

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payable	81,926.33	50,753.18	31,173.15
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payable	76,430.60	27,646.31	48,784.29
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payable	75,397.82	37,018.02	38,379.80
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Trade Payable	92,488.34	68,442.74	24,045.60
June 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	2,15,624.85	2,08,383.09	7,241.76
September 30, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	4,07,781.78	3,91,882.14	15,899.64
December 31, 2021	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	5,80,837.82	5,58,503.33	22,334.49
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Revenue	7,25,703.59	7,04,119.06	21,584.53
March 31, 2022	HDFC Bank, CITI Bank and Kotak Mahindra Bank	Bank Outstanding	68,000.00	61,000.00	7,000.00

For the year ended March 31, 2022

Magnet Labs Private Limited:-

(now merged with Mankind Pharma Limited vide NCLT order dated March 02, 2023 and supplement order dated March 21, 2023)

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
June 30, 2021	HDFC Bank	Inventory	3,369.23	3,857.49	(488.26)
September 30, 2021	HDFC Bank	Inventory	3,373.63	3,825.00	(451.37)
December 31, 2021	HDFC Bank	Inventory	3,837.04	3,906.29	(69.25)
March 31, 2022	HDFC Bank	Inventory	4,204.41	4,680.37	(475.96)
June 30, 2021	HDFC Bank	Trade Receivable	2,095.00	2,037.89	57.11
September 30, 2021	HDFC Bank	Trade Receivable	2,263.79	2,221.19	42.60

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Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
December 31, 2021	HDFC Bank	Trade Receivable	1,293.49	1,605.03	(311.54)
March 31, 2022	HDFC Bank	Trade Receivable	1,100.53	1,031.11	69.42
June 30, 2021	HDFC Bank	Trade Payable	6,442.17	4,886.83	1,555.34
September 30, 2021	HDFC Bank	Trade Payable	5,793.09	3,722.31	2,070.78
December 31, 2021	HDFC Bank	Trade Payable	6,908.98	5,267.65	1,641.33
March 31, 2022	HDFC Bank	Trade Payable	7,200.19	4,053.18	3,147.01
June 30, 2021	HDFC Bank	Revenue	8,597.69	8,679.74	(82.05)
September 30, 2021	HDFC Bank	Revenue	16,931.43	17,034.30	(102.87)
December 31, 2021	HDFC Bank	Revenue	23,654.20	24,158.29	(504.09)
March 31, 2022	HDFC Bank	Revenue	30,066.71	30,244.69	(177.98)

### For the year ended March 31, 2022

#### JPR Labs Private Limited:-

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
December 31, 2021	HDFC Bank	Trade Receivable	1,951.27	2,413.46	(462.19)
March 31, 2022	HDFC Bank	Trade Receivable	1,998.80	2,073.01	(74.21)
March 31, 2022	HDFC Bank	Inventory	2,893.04	2,853.75	39.29
March 31, 2022	HDFC Bank	Trade Payable	2,286.19	1,913.20	372.99
March 31, 2022	HDFC Bank	Revenue	6,790.50	6,791.43	(0.93)

### For the year ended March 31, 2022

#### Medipack Innovations Private Limited:-

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
March 31, 2022	HDFC Bank	Inventory	1,652.21	1,499.45	152.76
March 31, 2022	HDFC Bank	Trade Receivable	1,461.63	1,670.16	(208.53)

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### For the year ended March 31, 2022

#### Penta Latex LLP:-

Quarter ended	Name of Bank	Particulars	Value as per books of account	Amount as reported in the quarterly return/statement	Discrepancy
			(A)	(B)	(A-B)
June 30, 2021	HDFC Bank	Inventory	829.95	799.24	30.71
December 31, 2021	HDFC Bank	Inventory	1,069.43	1,068.37	1.06
March 31, 2022	HDFC Bank	Inventory	2,064.88	1,849.53	215.35
June 30, 2021	HDFC Bank	Trade Receivable	1,654.02	1,655.41	(1.39)
September 30, 2021	HDFC Bank	Trade Receivable	1,109.16	1,110.44	(1.28)
December 31, 2021	HDFC Bank	Trade Receivable	1,696.00	1,695.11	0.89
March 31, 2022	HDFC Bank	Trade Receivable	1,761.44	1,754.99	6.45

#### o) Changes in liability arising from financing activities:

Particulars	Non-Current borrowings		Current borrowings	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Opening balances	7,344.08	7,617.19	78,567.77	15,744.96
Interest expense	483.69	532.68	3,540.61	1,323.17
Proceeds from borrowings	384.51	585.95	1,09,473.48	1,27,232.71
Repayment of borrowings	(2,967.11)	(859.06)	(1,76,415.20)	(64,535.06)
Interest paid	(483.69)	(532.68)	(3,664.50)	(1,198.01)
<b>Closing balances</b>	<b>4,761.48</b>	<b>7,344.08</b>	<b>11,502.16</b>	<b>78,567.77</b>

### 23 Lease liability

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Lease liability (refer note 7)	517.80	299.00
	<b>517.80</b>	<b>299.00</b>
<b>Current</b>		
Lease liability (refer note 7)	255.65	205.72
	<b>255.65</b>	<b>205.72</b>



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### Changes in liability arising from financing activities:

Particulars	Lease liability	
	Year ended March 31, 2023	Year ended March 31, 2022
Opening balances	504.72	613.26
Addition during the year	524.12	75.30
Interest expense	44.92	47.95
Exchange difference	3.19	-
Cash Outflows	(303.50)	(231.79)
<b>Closing balances</b>	<b>773.45</b>	<b>504.72</b>

### 24 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Provision for employee benefits		
Provision for gratuity (net) (refer note 40)	9,788.88	8,000.43
	<b>9,788.88</b>	<b>8,000.43</b>
<b>Current</b>		
Provision for employee benefits		
Provision for compensated absences	8,019.16	5,708.29
Provision for gratuity (net) (refer note 40)	78.69	83.42
Other provisions		
Provision for expected sales return (refer note below)	22,665.19	20,658.55
	<b>30,763.04</b>	<b>26,450.26</b>

#### Details of Provision for expected sales return

Movement in provision for expected sales return is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	20,658.55	18,762.22
Addition during the year	23,614.10	17,736.52
Utilised during the year	(21,607.46)	(15,840.19)
Balance as at the end of the year	<b>22,665.19</b>	<b>20,658.55</b>

**Provision for expected sales return:** A provision is recognized for expected sales return on products sold by the Group during the year are based on the past experiences of level of return. Assumptions used to calculate said provision are based on current sales level and current information available about sales return.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 25 Deferred tax balances

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2023 is as follows:

	Opening Balance	Recognised/ (reversed) in Profit or loss	Recognised/ (reversed) in other comprehensive Income	Exchange Difference	Acquired in business combination (refer note 53)	Closing balance
<b>For the year ended March 31, 2023</b>						
<b>Deferred tax (liabilities)/assets in relation to</b>						
Accelerated depreciation and amortisation for tax purposes	(19,477.88)	(10,890.04)	-	-	-	(30,367.92)
Unrealized profit on investment measured at fair value through profit or loss	(3,281.24)	(1,376.56)	(12.69)	-	-	(4,670.49)
Right of use assets	(133.13)	(19.80)	-	-	-	(152.93)
Lease liability	152.05	16.20	-	-	-	168.25
Provision for employee benefits	4,853.08	1,639.50	252.77	-	-	6,745.35
Allowance for expected credit loss	362.19	79.96	-	-	-	442.15
Provision for expected sales return	6,787.96	1,078.75	-	-	-	7,866.71
Deferred government grant	716.34	177.91	-	-	-	894.25
Carried forward unused tax losses	1,038.37	(1,026.59)	-	-	-	11.78
Provision for slow moving inventories and other related items	3,235.34	1,668.10	-	-	-	4,903.44
Provision for doubtful loans and advances	9.73	55.47	-	-	-	65.20
Other temporary differences	175.06	(81.34)	(2.39)	18.08	5.81	115.22
MAT Credit/ AMT Credit	(5,562.13)	(8,678.44)	237.69	18.08	5.81	(13,978.99)
<b>Deferred tax liabilities (net)</b>	<b>0.07</b>	<b>6,247.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,247.78</b>
<b>Deferred tax charge/(credit) during the year</b>	<b>(5,562.06)</b>	<b>(2,430.73)</b>	<b>237.69</b>	<b>18.08</b>	<b>5.81</b>	<b>(7,731.21)</b>
<b>Deferred tax assets/(liabilities) in relation to</b>						
Accelerated depreciation and amortisation for tax purposes	(798.15)	(244.97)	-	-	-	(1,043.12)
Unrealized profit on investment measured at fair value through profit or loss	(344.03)	344.03	-	-	-	-

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

For the year ended March 31, 2023	Opening Balance	Recognised/ (reversed) in Profit or loss	Recognised/ (reversed) in other comprehensive Income	Exchange Difference	Acquired in business combination (refer note 53)	Closing balance
Right of use assets	-	(9.34)	-	-	-	(9.34)
Lease liability	(0.01)	9.21	-	-	-	9.20
Provision for employee benefits	208.82	(94.83)	19.09	-	-	133.08
Allowance for expected credit loss	6.44	(6.44)	-	-	-	-
Provision for expected sales return	257.00	(218.53)	-	-	-	38.47
Deferred government grant	2.78	(0.55)	-	-	-	2.23
Carried forward unused tax losses	1,150.70	765.03	-	-	-	1,915.73
Preliminary expenses	0.06	(0.02)	-	-	-	0.04
Provision for slow moving inventories and other related items	3,715.21	(2,306.48)	-	-	-	1,408.73
Other temporary differences	(351.77)	792.81	-	-	-	441.04
MAT Credit/ AMT Credit	3,847.05	(970.08)	19.09	-	-	2,896.06
Deferred tax assets (net)	81.57	0.06	-	-	-	81.63
Deferred tax charge/(credit) during the year	3,928.62	(3,400.75)	256.78	18.08	5.81	2,977.69

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for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2022 is as follows:

For the year ended March 31, 2022	Opening Balance	Recognised/ (reversed) in Profit or loss	Recognised/ (reversed) in other comprehensive Income	Exchange Difference	Acquired in business combination	Closing balance
<b>Deferred tax (liabilities)/assets in relation to</b>						
Accelerated depreciation and amortisation for tax purposes	(1,483.43)	(17,994.45)	-	-	-	(19,477.88)
Unrealized profit on investment measured at fair value through profit or loss	(3.19)	(3,278.05)	-	-	-	(3,281.24)
Right of use assets	-	(133.13)	-	-	-	(133.13)
Lease liability	-	152.05	-	-	-	152.05
Provision for employee benefits	291.71	4,537.58	23.79	-	-	4,853.08
Allowance for expected credit loss	-	362.19	-	-	-	362.19
Provision for expected sales return	-	6,787.96	-	-	-	6,787.96
Deferred government grant	89.50	626.84	-	-	-	716.34
Carried forward unused tax losses	21.39	1,016.98	-	-	-	1,038.37
Provision for slow moving inventories and other related items	-	3,235.34	-	-	-	3,235.34
Provision for doubtful loans and advances	-	9.73	-	-	-	9.73
Other temporary differences	(270.64)	454.42	(8.72)	-	-	175.06
MAT Credit/ AMT Credit	(1,354.66)	(4,222.54)	15.07	-	-	(5,562.13)
Deferred tax liabilities (net)	51.47	(51.40)	-	-	-	0.07
Deferred tax charge/(credit) during the year	(1,303.19)	(4,273.94)	15.07	-	-	(5,562.06)
Deferred tax assets/(liabilities) in relation to						
Accelerated depreciation and amortisation for tax purposes	(10,595.75)	9,797.60	-	-	-	(798.15)
Unrealized profit on investment measured at fair value through profit or loss	(3,163.26)	2,819.23	-	-	-	(344.03)
Right of use assets	(202.89)	202.89	-	-	-	-
Lease liability	204.55	(204.56)	-	-	-	(0.01)
Provision for employee benefits	4,097.35	(3,903.24)	14.71	-	-	208.82
Allowance for expected credit loss	147.02	(140.58)	-	-	-	6.44

For the year ended March 31, 2022	Opening Balance	Recognised/ (reversed) in Profit or loss	Recognised/ (reversed) in other comprehensive Income	Exchange Difference	Acquired in business combination	Closing balance
Provision for expected sales return	6,187.80	(5,930.80)	-	-	-	257.00
Deferred government grant	164.45	(161.67)	-	-	-	2.78
Carried forward unused tax losses	2,395.57	(1,244.87)	-	-	-	1,150.70
Preliminary expenses	10.90	(10.84)	-	-	-	0.06
Provision for slow moving inventories and other related items	5,355.95	(1,640.74)	-	-	-	3,715.21
Provision for doubtful loans and advances	31.99	(31.99)	-	-	-	-
Other temporary differences	267.42	(619.19)	-	-	-	(351.77)
MAT Credit/ AMT Credit	4,901.10	(1,068.76)	14.71	-	-	3,847.05
Deferred tax assets (net)	-	81.57	-	-	-	81.57
Deferred tax charge/(credit) during the year	4,901.10	(5,261.13)	29.78	-	-	3,928.62

Note:

- Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority and same entity.
- The Group has not created deferred tax on impairment loss of non-current financial assets (investments, doubtful capital advances and loans aggregating to INR 10,508.30 lacs as at March 31, 2023 and INR 8,458.30 lacs as at March 31, 2022) as the Group does not expect taxable capital gain in foreseeable future against which such deferred tax assets can be realised. Had the Group created deferred tax on the same, the profit would have been higher by INR 2,448.01 lacs for the year ended March 31, 2023 and INR 1,970.45 lacs for the year ended March 31, 2022.
- The Group has not created deferred tax assets on the carried forward business losses on the following entities. Such business losses can be carried forward for a period of 8 years from the relevant financial year in which such losses are occurred except to following subsidiaries.
  - Lifestar Pharma LLC has federal net operating losses eligible for being carried forward amounting to INR 4,239.65 lacs (March 31, 2022 : INR 6,701.03 lacs). As per local laws of the country in which subsidiary is incorporated, business losses amounting to INR 4,239.65 lacs (March 31, 2022 : INR 6,310.66 lacs) generated in tax years 2018 to 2020 will be carried forward indefinitely for utilization.

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- The above subsidiary (Lifestar Pharma LLC) also has 'State' carried forward losses amounting to INR 1,384.21 lacs (March 31, 2022 : INR 1,361.63 lacs) available in various states to reduce future state income taxes. The term of expiry of these business losses varies from state to state.
- Lifestar Pharmaceuticals Private Limited has carried forward business losses of INR 92.54 lacs (March 31, 2022 : INR 11.50 lacs) which can be carried forward for a period of 7 years from the end of relevant financial year as per Nepal Income Tax laws.
  - Further, in respect of following subsidiaries incorporated in India have carried forward business losses and unabsorbed depreciation eligible for being carried forward and the subsidiaries have not created deferred tax assets on such losses as there is no reasonable certainty of realisation of such assets in foreseeable future.

Particulars	Current year tax losses on which no DTA has been created		Deferred tax asset not created on such losses	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
JPR Labs Private Limited	4,266.36	2,641.13	1,073.76	664.72
Mankind Consumer Healthcare Private Limited	149.13	0.50	37.53	0.13
Mankind Life Sciences Private Limited	1,439.79	311.49	362.37	78.40
Mankind Specialities	714.71	620.67	222.99	193.65
North East Pharma Pack	357.11	-	111.42	-
Packtime Innovations Private Limited	6,902.18	6,180.57	1,737.14	1,555.52
Pavi Buildwell Private Limited	-	3,103.56	-	781.10
Mankind Prime Labs Private Limited	300.98	198.56	75.75	49.97
Appian Properties Private Limited	62.88	62.88	15.83	15.83
Mankind Agritech Private Limited	1,801.91	-	453.51	-
Appify Infotech	2.40	-	0.75	-
Upakarma Ayurveda Private Limited	1,085.78	-	273.27	-
<b>Total</b>	<b>17,083.23</b>	<b>13,119.36</b>	<b>4,364.32</b>	<b>3,339.32</b>

(iv) Period of expiry of the above mentioned carried forward business loss and unabsorbed depreciation.

Assessment year	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Business Loss	Unabsorbed Depreciation	Business Loss	Unabsorbed Depreciation
2026-27	42.77	-	0.76	-
2027-28	264.63	-	95.00	-
2028-29	419.46	-	3,401.87	-
2029-30	90.48	-	227.43	-
2030-31	2,338.54	-	2,079.80	-
2031-32	5,085.16	-	-	-
Infinite period	-	8,842.19	-	7,314.51
<b>Total</b>	<b>8,241.04</b>	<b>8,842.19</b>	<b>5,804.86</b>	<b>7,314.51</b>

In assessing the realization of deferred tax assets, the likelihood of whether it is more likely than not that some portion or all the deferred tax assets will not be realized must be considered. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which temporary difference become deductible. Management considers the projected future taxable income and tax planning



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strategies in making this assessment. Based on the history of losses and uncertainty over projections for future taxable income over the periods for which the deferred tax assets are deductible, the management believes it is more likely than not that the deferred tax assets may not be recognized in foreseeable future and accordingly, no deferred tax asset has been recorded.

### 26 Other liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Deferred government grant (refer note (a) below)	2,549.46	2,015.42
	<b>2,549.46</b>	<b>2,015.42</b>
<b>Current</b>		
Contract liabilities (refer note (b) below)	2,636.89	1,654.36
Statutory liabilities	9,004.60	20,185.42
Deferred government grant (refer note (a) below)	292.08	283.26
Advance against sale of investments	143.28	88.51
Others	176.67	297.98
	<b>12,253.52</b>	<b>22,509.53</b>

#### Notes:

- a. Government grant includes deferred government grant in respect of duty benefit availed under Export Promotion Capital Goods Scheme (EPCG) for which the export obligation is yet to be fulfilled. The movement of government grant is as below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	2,298.68	1,022.79
Add: received during the year	832.54	1,325.24
Less: government grant recognised as income (refer note 30)	(289.67)	(49.35)
<b>Balance at the end of the year</b>	<b>2,841.54</b>	<b>2,298.68</b>

- b. The Group has entered into agreements with customers for sale of goods and services. The Group has identified these performance obligations and recognised the same as contract liabilities in respect of contracts when the Group has obligation to deliver the goods and perform specified services to a customer for which the Group has received consideration.

### 27 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
i. total outstanding dues of micro enterprises and small enterprises (refer note 39)	6,050.07	11,447.20
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	94,767.62	96,192.52
	<b>1,00,817.69</b>	<b>1,07,639.72</b>

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### 27.1 Trade Payable ageing schedule

#### As at March 31, 2023

Particulars	Unbilled due	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	21.73	4,101.96	1,893.92	32.46	-	-	6,050.07
Total outstanding dues of creditors other than micro enterprises and small enterprises	37,893.50	35,916.65	20,049.57	634.10	91.34	131.87	94,717.03
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	25.85	-	24.74	50.59
<b>Total</b>	<b>37,915.23</b>	<b>40,018.61</b>	<b>21,943.49</b>	<b>692.41</b>	<b>91.34</b>	<b>156.61</b>	<b>1,00,817.69</b>

#### As at March 31, 2022

Particulars	Unbilled due	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	10.33	8,293.96	3,141.18	0.41	-	1.32	11,447.20
Total outstanding dues of creditors other than micro enterprises and small enterprises	31,641.78	49,538.41	14,318.32	448.47	97.98	129.12	96,174.08
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	18.44	-	18.44
<b>Total</b>	<b>31,652.11</b>	<b>57,832.37</b>	<b>17,459.50</b>	<b>448.88</b>	<b>116.42</b>	<b>130.44</b>	<b>1,07,639.72</b>

#### Note:

- a. The average credit period on purchases is up to 90 days for the group. The group however ensures that all payables are paid within the pre agreed credit periods.
- b. Trade Payables include due to related parties INR 6,567.31 lacs (March 31, 2022 : INR 8,793.50 lacs). Also refer note 43.
- c. The amounts are unsecured and non-interest bearing and no varying trade terms.
- d. For terms and conditions with related parties, refer note 43.

## Notes to the consolidated financial statements

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### 28 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Book overdraft	-	1,056.56
Capital creditors	10,093.97	9,158.23
Trade/ security deposits	13,551.11	11,916.81
Others	4.10	17.30
	<b>23,649.18</b>	<b>22,148.90</b>

#### Break up of financial liabilities carried at amortised cost:

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings (non-current)	2,314.65	4,919.40
Lease liabilities (non current)	517.80	299.00
Borrowings (current)	13,948.99	81,883.32
Trade payables (current)	1,00,817.69	1,07,639.72
Lease liabilities (current)	255.65	205.72
Other financial liabilities (current)	23,649.18	22,148.90

### 29 Revenue from operations

#### 29.1 Revenue from contracts with customers

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	8,69,218.68	7,77,809.16
Sale of services	1,646.26	346.35
Sale of inventories in housing project	3,420.53	-
	<b>8,74,285.47</b>	<b>7,78,155.51</b>

#### (a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

##### Segment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Type of goods/services</b>		
Pharmaceutical and healthcare products	8,69,218.68	7,77,809.16
Services income	1,646.26	346.35
Sale of inventories in housing project	3,420.53	-
<b>Total revenue from contracts with customers</b>	<b>8,74,285.47</b>	<b>7,78,155.51</b>
<b>Geographical information</b>		
In India	8,44,702.35	7,59,474.79
Outside India	29,583.12	18,680.72
<b>Total revenue from contracts with customers</b>	<b>8,74,285.47</b>	<b>7,78,155.51</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	8,72,639.21	7,77,809.16
Services transferred over the time	1,646.26	346.35
<b>Total revenue from contracts with customers</b>	<b>8,74,285.47</b>	<b>7,78,155.51</b>

#### (b) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue as per contracted price	9,13,249.16	8,12,325.28
<b>Adjustments:</b>		
Sales return	(23,614.10)	(17,736.52)
Discount	(12,005.54)	(11,188.04)
Scheme Cost	(3,344.05)	(5,245.21)
<b>Revenue from contracts with customers</b>	<b>8,74,285.47</b>	<b>7,78,155.51</b>

#### (c) Contract balances

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Trade receivables (refer note 15)	57,642.14	38,816.60	33,061.13
Contract liabilities (refer note 26)	2,636.89	1,654.36	1,249.34

The average credit period to domestic customers ranges upto 21 days and to export customers upto 180 days. Our credit terms for government institutions are typically ranging from 90 to 120 days. No interest is charged on trade receivables upto the due date from the date of the invoice.

Contract liabilities consist of short-term advances received against supply of goods to customer. Such advances are adjusted against supply of goods within a range of 3 months from the reporting date and the revenue is recognised out of the contract liabilities.

#### (d) Performance obligations

**Sales of goods:** Performance obligation is satisfied when control of goods is transferred to the customer, generally on delivery of the goods.

**Sales of services:** The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of services.

#### 29.2 Other operating revenues

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Royalty income	657.83	-
	<b>657.83</b>	<b>-</b>
<b>Total revenue from operations</b>	<b>8,74,943.30</b>	<b>7,78,155.51</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 30 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest income</b>		
<b>Interest income earned on:</b>		
- bank deposits (at amortised cost)	971.64	1,094.24
- financial assets (at amortised cost)	91.31	110.66
Interest received on income tax refund	37.20	0.60
Other interest income	176.26	86.84
	<b>1,276.41</b>	<b>1,292.34</b>
<b>Others</b>		
<b>Other non-operating income</b>		
Insurance claim received	430.68	135.51
Realised gain on current investments measured at FVTPL	162.19	4,777.21
Unrealised gain on current investments measured at FVTPL	3,397.58	3,966.11
Dividend income from financial assets measured at FVTPL	0.24	0.14
Dividend income from investment measured at FVTPL	-	0.04
Government grant income*	3,682.04	3,842.87
Reversal of impairment allowance on sale of an associate	-	800.00
Gain on sale of property, plant and equipment (net)	166.49	-
Reversal of impairment allowance of financial assets	-	1,751.30
Scrap sales	864.91	685.85
Gain on sale of investment property	-	0.20
Liabilities written back	415.34	852.65
Gain on fair value of equity investments at FVTPL	183.33	-
Gain on foreign currency transactions	1,040.64	884.48
Other miscellaneous income	1,236.83	614.26
	<b>11,580.27</b>	<b>18,310.62</b>
	<b>12,856.68</b>	<b>19,602.96</b>

\*Government grant includes budgetary support, Export Promotion Capital Goods Scheme (EPCG) and export incentives.

### 31 Cost of raw materials and components consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year	39,862.34	28,354.02
Add: Purchase of pharmaceutical and healthcare products	1,82,940.15	2,17,264.48
	<b>2,22,802.49</b>	<b>2,45,618.50</b>
Less: inventory at the end of the year	(41,436.14)	(39,862.34)
	<b>1,81,366.35</b>	<b>2,05,756.16</b>

### 32 Changes in inventories

#### a. Changes in inventories of finished goods, work in progress and stock in trade:-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening Stock:</b>		
Finished goods		
a. In hand	31,032.93	22,364.66
b. In transit	127.12	186.40

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Work in progress	9,404.05	7,320.87
Stock in trade		
a. In hand	84,156.54	50,645.44
b. In transit	4,701.87	3,946.38
	<b>1,29,422.51</b>	<b>84,463.75</b>
<b>Acquired during the year:-</b>		
Finished goods	75.76	-
<b>Closing Stock:</b>		
Finished goods		
a. In hand	28,518.00	31,032.93
b. In transit	894.14	127.12
Work in progress	8,603.53	9,404.05
Stock in trade		
a. In hand	60,620.24	84,156.54
b. In transit	1,943.78	4,701.87
	<b>1,00,579.69</b>	<b>1,29,422.51</b>
<b>Net (increase)/decrease (a)</b>	<b>28,918.58</b>	<b>(44,958.76)</b>

#### b. Changes in inventories of development rights

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening stock:</b>		
Inventories in housing projects	4,256.26	4,256.26
<b>Closing Stock:</b>		
Inventories in housing projects	4,100.75	4,256.26
<b>Net (increase)/decrease (b)</b>	<b>155.51</b>	<b>-</b>
<b>Total change in inventories (a+b)</b>	<b>29,074.09</b>	<b>(44,958.76)</b>

### 33 Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	1,78,801.14	1,51,516.03
Contribution to provident and other fund (refer note 40)	8,895.75	7,358.54
Gratuity expense (refer note 40)	1,953.17	1,691.52
Staff welfare expenses	2,191.18	1,493.24
Employee stock option plan expenses (refer note 44)	5.91	-
	<b>1,91,847.15</b>	<b>1,62,059.33</b>

### 34 Finance Costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on financial liabilities and borrowings measured at amortised cost	3,604.76	1,572.83
Interest on delay deposit of income tax	377.68	1,026.14
Interest on lease liabilities at amortised cost (refer note 7)	44.92	47.95
Interest on delay deposit of indirect taxes	-	2,931.10
Other finance costs	419.54	283.02
	<b>4,446.90</b>	<b>5,861.04</b>



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 35 Depreciation and amortisation expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipments (refer note 4)	16,303.38	13,846.61
Depreciation of Right-of-use assets (refer note 7)	399.63	288.25
Depreciation on investment properties (refer note 5)	5.47	5.47
Amortisation of intangible assets (refer note 6)	15,883.47	2,521.59
	<b>32,591.95</b>	<b>16,661.92</b>

### 36 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	4,868.51	4,827.97
Power and fuel	10,896.03	10,313.00
Rent	2,042.61	2,125.73
Repair and maintenance		
- Machinery	2,887.19	2,855.32
- Building	999.52	809.56
- others	5,063.19	2,951.27
Insurance	1,543.86	1,384.73
Rates and taxes	11,153.18	6,268.02
Communication expenses	2,408.18	2,084.37
Travelling and conveyance	49,604.69	35,811.12
Printing and stationery	1,042.33	701.46
Freight & cartage outward and other distribution cost	8,366.66	8,210.93
Commission and brokerage	18,049.35	17,427.78
Corporate social responsibility expenditure	3,492.64	2,781.29
Director sitting fees	55.60	25.40
Legal and professional charges	16,935.46	8,823.18
Payments to auditors (refer note below)	257.09	176.48
Training and recruitment expense	5,916.27	4,731.06
Advertising and sales promotion expenses	37,366.56	45,156.73
Security expenses	620.23	515.87
Testing and inspection charges	6,301.49	7,536.64
Sales support expenses	28.09	21.75
Bank charges	129.55	119.30
Loss on sale and write off of property, plant and equipment (net)	-	374.34
Assets written off	470.77	576.29
Trade and other receivables written off	463.90	491.57
Allowance for doubtful advances	193.52	302.61
Allowance for expected credit loss on trade receivables (refer note 15)	915.04	662.74
Impairment of goodwill and other non- current assets	885.24	-
Miscellaneous expenses	8,711.54	6,921.54
<b>Total</b>	<b>2,01,668.29</b>	<b>1,74,988.05</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### Note:

Payments to the auditors (excluding input tax)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>As auditor:</b>		
Audit fees*	198.69	168.40
Tax audit fees	35.50	-
Certification	7.75	-
<b>In other capacity:</b>		
Reimbursement of expenses	15.15	8.08
	<b>257.09</b>	<b>176.48</b>

\*Audit fees (including reimbursement of expenses) for the year ended March 31, 2023 excludes amount of INR 1,192.83 lacs pertaining to IPO expenses which will be recovered from the selling shareholders as per the offer agreement.

### 37 Income taxes

#### 37.1 Income tax recognised in the Statement of profit and loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current tax</b>		
In respect of the current year	33,199.14	45,097.67
In respect of the previous year	(443.56)	1,805.55
	<b>32,755.58</b>	<b>46,903.22</b>
<b>Deferred tax</b>		
In respect of the current year	4,116.82	4,946.43
In respect of the previous year	(716.07)	314.70
	<b>3,400.75</b>	<b>5,261.13</b>
<b>Total income tax expense recognised in the current year</b>	<b>36,156.33</b>	<b>52,164.35</b>
Reconciliation of tax expense and the accounting profit multiplied by Indian domestic tax rate:		
<b>Profit before tax</b>	<b>1,67,123.91</b>	<b>1,97,460.06</b>
Statutory income tax rate	34.944%	34.944%
Income tax expense at statutory income tax rate	58,399.78	69,000.33
Effect of Income that is exempt from taxation	(732.76)	(1,715.33)
Effect of expenses that are not deductible in determining taxable profit	6,643.11	5,542.27
Effect of accelerated allowances for tax purposes	(6.43)	(122.80)
Effect of concessions (tax holiday and similar exemptions/deductions)	(28,559.63)	(24,027.21)
Effect of income charged at lower tax rate	(150.11)	(507.25)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	682.17	1,910.52
Impact of change in tax rate and Impact of merger	1,039.83	(36.43)
Adjustments recognised in the current year in relation to the previous years	(443.56)	1,805.55
Deferred tax credit in respect of the prior years	(716.07)	314.70
	<b>36,156.33</b>	<b>52,164.35</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 37.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Items that will not be reclassified to profit or loss		
- Remeasurement of the defined benefit plan	271.86	38.50
- Share of other comprehensive income of associates and joint ventures	(2.39)	0.10
- Change in the fair value of equity investments at FVTOCI	(12.69)	(8.82)
<b>Total income tax expense recognised in other comprehensive income</b>	<b>256.78</b>	<b>29.78</b>
<b>Note:</b> Effective tax rate has been calculated on profit before tax.	21.63%	26.42%

On February 22, 2022, the Hon'ble Supreme Court of India passed an order that freebies provided to medical practitioners which were prohibited by law, was no less a prohibition on the part of the entity that is providing those freebies. The Group has evaluated its sales promotion expenses and also taken an expert opinion, basis which, it believes that the tax provisions accrued in the books adequately cover for any contingency. However, given the nature of the judgement, the ultimate outcome is not reasonably ascertainable at this stage.

### 38 Contingent liabilities and commitments (to the extent not provided for)

#### A Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(a) Claims against the Group not acknowledged as debts</b>		
(i) Sales tax including Goods and Service Tax (Paid under protest INR Nil (March 31, 2022 : INR 12.87 lacs))	9.56	291.59
(ii) Income tax demands on various matters (Paid under protest INR 1,217.06 lacs (March 31, 2022 : INR 1,281.60 lacs))	4,363.76	4,935.23
(iii) Commercial taxes	-	18.14
<b>(b) Contingent in respect of input credit availed under GST (refer note (iii) below)</b>	<b>804.50</b>	<b>804.50</b>

#### (c) Other Litigations

There are some litigations filed against the Group on account of design, trademarks and patent infringements, labour matters etc. relating to conduct of its business. These cases are at various stage of proceedings and the extent of claim or damages is indeterminate at this stage. The Group is contesting these cases and based on views of internal legal counsel and in consultation with external legal counsel representing the Group, it believes there is no liability which would devolve over the Group in respect of such cases and believes its position will be upheld in the jurisdictional authorities as at close of respective financial year. The Group has also filed some cases in nature of recovery suit, cases under Section 138 of the Negotiable Instrument Act, 1881, trademark infringement etc. The Group is pursuing these cases and have made adequate accrual for allowance for doubtful debts in respect of such cases, wherever considered necessary.

#### Notes:

- (i) Claims / suits filed against the Group not acknowledged as debts which represents various legal cases filed against the Group. The Group has disclaimed the liability and defending the action. The Group has been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statements.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- (ii) The Group is contesting the demands on account of various disallowances, transfer pricing, availment of tax credits of income tax and sales tax, and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.
- (iii) Contingencies in respect of input credit availed under GST relates to input availed by the Group in respect of earlier years paid to GST authorities during the previous year consequent to audit by the office of the commissioner central GST audit, Gurugram which is subject to assessment. The Group is pursuing these and as advised by its legal counsel believes its position would be accepted by the authorities and accordingly, no provision is required to be accrued in the financial statements.

**(d) Guarantees furnished to banks in respect of Letters of credits** 272.16 2,207.42

Based on consultation with the Group's consultants, and in the opinion of the management, the Group does not expect any outflow of economic resources in respect of above claims and therefore no provision is considered necessary.

#### B Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances of March 31, 2023: INR 5,880.41 lacs; March 31, 2022: INR 5,864.27 lacs) excluding capital advances fully provided (refer note 13)	11,223.73	14,678.95
(ii) The Holding Company has issued corporate guarantees to banks on behalf of and in respect of fund and non fund based credit facilities availed by group in accordance with the policy of the Group (refer note 49)	376.03	464.26

The Group has other commitments, for purchase orders which are issued after considering requirements as per operating cycle for purchase of goods and services, in normal course of business.

#### C Undrawn committed borrowing facility

- (i) The Holding Company has availed working capital demand loan facility from Citibank N.A. amounting to INR 29,500 lacs (March 31, 2022: INR 29,500 lacs). This loan is secured by way of first pari passu charge on current assets (book debts), both present and future of the Holding Company. An amount of INR 29,500 lacs (March 31, 2022 : INR 7,000 lacs) remains undrawn as at the year end.

The Holding Company has a secured working capital demand loan facility of INR 25,000 lacs (March 31, 2022: INR 25,000 lacs) from HDFC bank. This loan is secured by way of first pari passu charge on stock in trade and book debts of the Holding Company. An amount of INR 25,000 lacs (March 31, 2022 : INR 2,500 lacs) remains undrawn as at the year end.

The Holding Company has a secured working capital demand loan facility of INR 17,000 lacs (March 31, 2022: INR 17,000 lacs) from Kotak Mahindra bank. The loan is secured by the way of first pari-passu hypothecation charge on all existing and future current assets of the Holding Company. An amount of INR 17,000 lacs (March 31, 2022: INR 7,000 lacs) remains undrawn during the year end.

The Holding Company has got sanctioned a secured working capital demand loan facility of INR 10,000 lacs (March 31, 2022: INR 10,000 lacs) from HDFC bank. This loan is secured by way of first pari passu charge on investments in Mutual Funds/ securities (Refer Note- 10). An amount of INR 10,000 lacs (March 31, 2022 : INR 3,000 lacs) remains undrawn as at the year end.

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The Holding Company has got sanctioned of unsecured overdraft facility of INR 18,000 lacs from ICICI Bank (March 31, 2022: INR 6,000 lacs) for working capital requirement. An amount of INR 18,000 lacs (March 31, 2022: INR Nil lacs) remains undrawn during the year end.

The Holding Company has availed working capital demand loan facilities from HDFC Bank amounting to INR 3,000 lacs secured by 110% margin of lien on bank approved mutual funds. The Holding Company has complied with all the debt covenants. An amount of INR 3,000 lacs (March 31, 2022: INR 3,000 lacs) remains undrawn as at year end.

The Holding Company has availed working capital facility from HDFC Bank amounting to INR 1,000 lacs (March 31, 2022: INR 1,000 lacs) secured exclusive first charge on the current assets of the Holding Company. The Holding Company has complied with all the debt covenants. An amount of INR 1,000 lacs (March 31, 2022: INR 1,000 lacs) remains undrawn as at year end.

(ii) Cash credit limits of INR 3,000 lacs (March 31, 2022: INR 2,500 lacs), term loan of INR 500 lacs (March 31, 2022: INR 500 lacs) and unfunded bank limits of INR 500 lacs (March 31, 2022: INR 500 lacs) from HDFC bank secured by way of following:

(a) hypothecation by way of first and exclusive charges on all present and future current assets inclusive of stocks and book debts of one of the subsidiary company: JPR Labs private Limited.

(b) Equitable mortgage of the self occupied properties at Plot no. 74/A, Pharma City, Thanam Village, Parwada Mandal, Vishakhapatnam.

Of the above JPR Labs Private Limited, INR 2,542.85 lacs (March 31, 2022: INR 1,339.66 lacs) remains undrawn.

(iii) Working capital facility and cash credit limit availed by a subsidiary Company: Medipack Innovations Private Limited amounting to INR 400 lacs (March 31, 2022: INR 530.93 lacs) and INR 600 lacs (March 31, 2022: INR 600.00 lacs) respectively from HDFC bank. Of the which, the subsidiary company has availed a working capital facility amounting to INR Nil (March 31, 2022: INR 530.93 lacs) and amount of INR 400 lacs remains undrawn as at March 31, 2023 (March 31, 2022: INR Nil). Further, the subsidiary company has availed a cash credit facility amounting to INR 69.22 lacs (March 31, 2022: INR 537.24 lacs) and amount of INR 530.78 lacs remains undrawn as at March 31, 2023 (March 31, 2022: INR 62.76 lacs).

(iv) Cash credit limits of INR 1,800 lacs (March 31, 2022: INR 1,200 lacs) obtained from HDFC bank by one of the subsidiary: Penta Latex LLP ("the firm"). Out of which the subsidiary firm has availed facility amount to INR 1,068.14 lacs (March 31, 2022: INR 977.11 lacs) and amount of INR 731.86 lacs (March 31, 2022: INR 222.89 lacs) remains undrawn as at year end.

Letter of credit facility obtained by the subsidiary firm: Penta Latex LLP ("the firm") is INR 300 lacs (March 31, 2022: INR 300.00 lacs) against which INR 300 lacs (March 31, 2022: INR 300.00 lacs) remains unutilised.

**D** A charge has been created on a subsidiary company (Pavi Buildwell Private Limited) as the Group has mortgaged its inventories in housing project with Catalyst Trusteeship Limited in respect of Debentures issued by the collaborator, Advance India Projects Limited for the purpose of completion of construction project. The group has entered into a collaboration agreement with Advance India Projects Limited wherein Advance India Projects Limited will carry on the construction of the project, marketing and selling of the units for an agreed share of the total revenues from the project.

**E** The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

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**39** The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). The disclosures pursuant to the said MSMED Act are as follows:

	As at March 31, 2023	As at March 31, 2022
(a) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 as at the end of each accounting year		
Principal	5,844.40	11,369.75
Interest	205.67	77.45
(b) Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day	27.09	-
(c) Interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) Interest accrued and remaining unpaid	205.67	77.45
(e) Further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

### 40 Gratuity and other post-employment benefit plans

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

#### a. Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

The Group's contribution to the Employees Provident Fund is deposited with the Regional Provident Fund Commissioner for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

During the year, the Group has recognised INR 8,895.75 lacs as at March 31, 2023 and INR 7,358.54 lacs as at March 31, 2022 for Employer's contributions to the Provident Fund, Employee State Insurance, National Pension Scheme and others contribution in the Consolidated statements of profit and loss. The contributions payable to the plan by the Group is at the rate specified in rules to the scheme.

Hon'ble Supreme Court of India vide its judgement dated February 28, 2019 on Provident Fund on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. Subsequently, the Holding Company vide assessment letter no. 28212 dated 04 August 2020 received from Employees Provident Fund Organisation wherein the provident fund department has completed their assessment for FY 2015-16 to FY 2019-20. Hence, the Group is of the view, that there is no further liability on account of the Judgement.

#### b. Defined benefit plan

In accordance with the Payment of Gratuity Act of 1972, the group contributes to a defined benefit plan ("the Gratuity Plan"). The gratuity plan provides a lump sum payment to vested employees at retirement, withdrawal, resignation and death of an employee. The gratuity liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of four years and two forty days in service.



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Based on actuarial valuations conducted as at year end, a provision is recognised in full for the benefit obligation over and above the funds held in the Gratuity Plan. In case where there is no Gratuity Plan, full provision is recognised in the consolidated balance sheet.

Mankind Pharma Limited and its subsidiaries including Medipack Innovations Private Limited, Relax Pharmaceuticals Private Limited, Copmed Pharmaceuticals Private Limited, Pharma Force Lab Employees Group Gratuity Trust and Mediforce Healthcare Private Limited have constituted their respective trust recognized by Income Tax Authorities for gratuity to employees. Contributions to the trust are funded with Life Insurance Corporation ("LIC") of India, HDFC Life Insurance Company Limited and Bajaj Allianz Life Insurance Company Limited. The liability in respect of other entities within the group are unfunded.

### i. Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are:- (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary growth risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability.
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table.  A change in mortality rate will have a bearing on the plan's liability.
Salary growth risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2023. The present value of defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

### ii. Principal actuarial assumptions:

Principle actuarial assumption used to determine the present value of the benefit obligation are as follows:

S. No.	Particulars	Refer note below	As at March 31, 2023	As at March 31, 2022
i.	Discount rate (p.a.)	1	7.15% - 7.40%	6.01%-7.26%
ii.	Rate of return on assets (p.a.)	2	6.56% - 7.40%	5.95%-6.45%
iii.	Salary escalation rate (p.a.) -Office Staff	3	5.00% - 12.00%	5.00% - 12.00%
iv.	Salary escalation rate (p.a.) -Field Staff	3	6.00% - 7.00%	5.00% - 6.00%

#### Notes

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

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### iii. Demographic assumptions:

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Retirement age	58-60 years	58-60 years
2	Mortality rate	(100% of IALM 12-14)	(100% of IALM 12-14)
3	Average outstanding service of employee up to retirement (in years)	5.84 - 28.20	5.31-28.48
4	Attrition rate - Service up to 5 years (Field Staff / Office Staff) - Service above 5 Years (Field Staff / Office Staff) and - Age up to 30 Years - Age from 31 to 44 years - Age above 44 years	21% - (Field staff) 22% - (Office staff)  8% - (Field staff) 6% - (Office staff)  5.00%-29.00% 2.18%-22.00% 0.90%-17.00%"	20%-33% - (Field staff) 17%-22% - (Office staff)  8%-15% - (Field staff) 3%-7% - (Office staff)  5.00-29.00% 2.90%-22.00% 0%-17.00%"

The following tables set out the funded and unfunded status of the gratuity plan and amounts recognised in the Group's financial statements:

S. No.	Particulars	Funded Plan		Unfunded Plan	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
a.	<b>Amounts recognised in the Consolidated statement of Profit and Loss in respect of these defined benefits plans are as follows:</b>				
	Current service cost	1,306.05	1,191.29	124.48	88.16
	Past service cost	-	(18.06)	1.40	-
	Net interest expenses	495.39	411.90	25.85	18.23
	<b>Components of defined benefit costs recognised in Consolidated Statement of Profit and Loss</b>	<b>1,801.44</b>	<b>1,585.13</b>	<b>151.73</b>	<b>106.39</b>
b.	<b>Remeasurement (gain)/ loss recognised in other comprehensive income :</b>				
	Actuarial (gain)/loss due to change in demographic assumptions	(36.15)	(70.30)	1.60	(3.10)
	Actuarial (gain)/loss due to change in financial assumptions	630.83	(584.65)	(15.35)	(8.48)
	Actuarial (gain)/loss due to change in experience variance	826.53	591.56	23.14	1.45
	Actuarial (gain)/loss due to change in plan asset	(650.11)	188.47	-	-
	<b>Component of defined benefit costs recognised in other comprehensive income</b>	<b>771.10</b>	<b>125.08</b>	<b>9.39</b>	<b>(10.13)</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the Consolidated financial statement of Profit and Loss. The remeasurement of the net defined benefit liability is included in the other comprehensive income.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

**c. The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefits plans as follows:**

Particulars	As at	
	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	12,633.82	10,266.21
Less: Fair value of plan assets	(2,766.25)	(2,182.36)
<b>Funded status surplus/(deficit)</b>	<b>(9,867.57)</b>	<b>(8,083.85)</b>
Current portion (refer note 24)	78.69	83.42
Non-current portion (refer note 24)	9,788.88	8,000.43

**d. Movement in the fair value of the defined benefit obligation:**

Particulars	Funded Plan		Unfunded Plan	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Opening defined benefit obligation	9,895.51	9,199.51	370.70	284.13
Current service cost	1,306.05	1,191.29	124.48	88.16
Past Service Cost	-	(18.06)	1.40	-
Interest cost	656.40	553.25	25.85	18.23
Actuarial (gain)/loss on obligation	1,421.21	(63.41)	9.39	(10.13)
Acquisition/Divestiture	-	(0.36)	12.71	-
Benefits paid	(1,168.04)	(966.71)	(21.84)	(9.69)
<b>Closing defined benefit obligations</b>	<b>12,111.13</b>	<b>9,895.51</b>	<b>522.69</b>	<b>370.70</b>

**e. Movement in the fair value of the plan assets are as follows:**

Particulars	Funded Plan		Unfunded Plan	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Opening fair value of plan assets	2,182.36	2,218.10	-	-
Actual Income on Plan Asset	-	16.31	-	-
Fund Management Charges (FMC)	-	(12.11)	-	-
Employer's contributions received	940.81	975.35	-	-
Benefits paid	(1,168.04)	(966.71)	-	-
Expected return on plan assets	161.01	141.34	-	-
Actuarial gain / (loss)	650.11	(188.47)	-	-
Withdrawal against last year payment made through provisions	-	(1.19)	-	-
Received from LIC against payment made by provision	-	(0.26)	-	-
<b>Closing fair value of plan assets</b>	<b>2,766.25</b>	<b>2,182.36</b>	<b>-</b>	<b>-</b>

**f. Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation (DBO) are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

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Particulars	As at March 31, 2023		As at March 31, 2022	
	Decrease in DBO	Increase in DBO	Decrease in DBO	Increase in DBO
Discount Rate (-/+0.5%) (% change compared to base due to sensitivity)	688.47	(635.20)	487.55	(439.34)
Salary Growth Rate (-/+0.5%) (% change compared to base due to sensitivity)	(587.72)	638.64	(417.14)	458.33

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit liability recognised in the Balance sheet.

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

**g. The expected maturity analysis of discounted defined benefit obligation is as follows:**

Expected cash flows over the next	As at March 31, 2023	As at March 31, 2022
1 year	1,178.18	964.60
2 and 5 years	3,917.58	3,387.08
More than 5 years	5,300.25	4,310.35

**h. Expected Company contributions for the next year**

1,770.41      1,273.89

**Notes**

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The compensated absences are unfunded.
- The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.
- The average duration of the defined benefit plan obligation at the end of the reporting period March 31, 2023 is 8.46 years and March 31, 2022 is 8.48 years.

**41 Capital Management**

For the purposes of Group's capital management, Capital includes equity attributable to the equity holders of the Group and all other equity reserves. The primary objective of the Group's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022 except for budgeting for cash flow projections considering the impact of ongoing pandemic COVID - 19. Capital gearing ratio is net debt divided by total capital plus net debt and Net debt is calculated as loans and borrowings less cash and cash equivalent. The Group policy is to keep the gearing ratio below 10%.

## Notes to the consolidated financial statements

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The following table summarizes the capital of the Group:

Particulars	As at March 31, 2023	As at March 31, 2022
Debt including lease liability (a)	17,037.09	87,307.44
Cash and cash equivalents (Note 16) (b)	30,482.07	30,253.47
<b>Net debt (c = (a-b))</b>	<b>(13,444.98)</b>	<b>57,053.97</b>
Total Equity / Net Worth	7,43,522.28	6,15,523.21
Capital and Net Debt	7,30,077.30	6,72,577.18
<b>Gearing ratio (Net Debt/Capital and Net Debt)</b>	<b>(1.84%)</b>	<b>8.48%</b>

### 42 Financial Instruments

#### A Financial risk management objective and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group is exposed to market risk, credit risk and liquidity risk.

The Group's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors and Audit Committee. This process provides assurance to Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Group policies and Group risk objective.

#### Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

March 31, 2023	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
<b>Financial assets</b>					
Investments	1,10,431.88	6,069.26	-	1,16,501.14	1,16,501.14
Trade receivables	-	-	57,642.14	57,642.14	57,642.14
Cash and cash equivalents	-	-	30,482.07	30,482.07	30,482.07
Other bank balances	-	-	14,837.79	14,837.79	14,837.79
Loans	-	-	163.26	163.26	163.26
Other financial assets	-	-	16,616.11	16,616.11	16,616.11
<b>Total</b>	<b>1,10,431.88</b>	<b>6,069.26</b>	<b>1,19,741.37</b>	<b>2,36,242.51</b>	<b>2,36,242.51</b>
<b>Financial liabilities</b>					
Borrowings	-	-	16,263.64	16,263.64	16,263.64
Lease liabilities	-	-	773.45	773.45	773.45
Trade payables	-	-	1,00,817.69	1,00,817.69	1,00,817.69
Other financial liabilities	-	-	23,649.18	23,649.18	23,649.18
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,41,503.96</b>	<b>1,41,503.96</b>	<b>1,41,503.96</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

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March 31, 2022	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
<b>Financial assets</b>					
Investments	90,147.43	4,025.25	-	94,172.68	94,172.68
Trade receivables	-	-	38,816.60	38,816.60	38,816.60
Cash and cash equivalents	-	-	30,253.47	30,253.47	30,253.47
Other bank balances	-	-	10,340.68	10,340.68	10,340.68
Loans	-	-	122.32	122.32	122.32
Other financial assets	-	-	3,686.36	3,686.36	3,686.36
<b>Total</b>	<b>90,147.43</b>	<b>4,025.25</b>	<b>83,219.43</b>	<b>1,77,392.11</b>	<b>1,77,392.11</b>
<b>Financial liabilities</b>					
Borrowings	-	-	86,802.72	86,802.72	86,802.72
Lease liabilities	-	-	504.72	504.72	504.72
Trade payables	-	-	1,07,639.72	1,07,639.72	1,07,639.72
Other financial liabilities	-	-	22,148.90	22,148.90	22,148.90
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,17,096.06</b>	<b>2,17,096.06</b>	<b>2,17,096.06</b>

#### B Fair value measurements

The management assessed that cash and cash equivalents, trade receivables, trade payables, investment in mutual fund and other investments, other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the other financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- 1) The fair value of unquoted instruments, loans from banks, other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- 2) The fair values of the Group's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.
- 3) Long-term receivables/payables are evaluated by the Group based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 4) Fair value hierarchy
  - Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
  - Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
  - Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



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Particulars	Fair value as at		Fair value hierarchy (level)	Valuation techniques and key inputs
	As at March 31, 2023	As at March 31, 2022		
<b>Financial Assets</b>			Levels	
Investments in mutual funds	1,07,547.41	87,446.18	1	See note i below
Investments - other (FVTPL)	2,884.47	2,701.25	3	See note ii below
Trade receivables	57,642.14	38,816.60	3	See note ii below
Cash and cash equivalents	30,482.07	30,253.47	1	
Other bank balances	14,837.79	10,340.68	1	
Loans	163.26	122.32	3	See note ii below
Other financial assets	16,616.11	3,686.36	3	See note ii below
Investments - other (FVTOCI)	6,069.26	4,025.25	3	See note ii below
<b>Total Financial Assets</b>	<b>2,36,242.51</b>	<b>1,77,392.11</b>		
<b>Financial Liabilities</b>				
Borrowings	16,263.64	86,802.72	3	See note ii below
Lease liabilities	773.45	504.72	3	See note ii below
Trade payables	1,00,817.69	1,07,639.72	3	See note ii below
Other financial liabilities	23,649.18	22,148.90	3	See note ii below
<b>Total Financial Liabilities</b>	<b>1,41,503.96</b>	<b>2,17,096.06</b>		

- i) Investment in mutual funds traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual funds declared by mutual fund house.
- ii) In the absence of observable inputs to measure fair value the assets and liabilities have been classified as level 3. The Group has not given further disclosures since the amount involved is not material.

The management considers that the carrying amounts of financial assets and financial liabilities having short term maturities recognised in the financial statement approximates their fair values.

### Risk management objectives

Risk management framework

The Group has exposure to the following risks arising from financial instruments:

- Market risk
- Liquidity risk
- Credit risk

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Group's activities. The Group, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

## Notes to the consolidated financial statements

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### Financial risk

The Group's financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Group does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

#### a) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Possible credit risk	Credit risk management
Credit risk related to trade receivables and loans	<p>Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.</p> <p>The loans advanced by the Group carries interest and are granted after evaluating the purpose and credit worthiness of the counter party. The loan advanced are backed by personal guarantee of the director of the counter party.</p> <p>Moreover, given the diverse nature of the Group's businesses trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10.0% or more of trade receivable on a % basis in any of the years indicated.</p> <p>Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.</p> <p>An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.</p>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

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Possible credit risk	Credit risk management
Credit risk related to bank balances	<p>Group holds bank balances with reputed and creditworthy banking institution within the approved exposures limit of each bank. None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.</p> <p>The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 is the carrying amounts. The Group's maximum exposure relating to financial instrument is noted in liquidity table below.</p>

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Group.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)</b>		
Cash and cash equivalents	30,482.07	30,253.47
Other bank balances	14,837.79	10,340.68
Loans	163.26	122.32
Other financial assets	16,616.11	3,686.36
<b>Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)</b>		
Trade receivables	57,642.14	38,816.60

Credit risk related to investments	The Group has made investments in highly liquid public sector mutual funds to meet their short term liquidity objectives. The Group analyses the credit worthiness of the party before investing their funds.
Other credit risk	The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.
	The Group is exposed to credit risk in relation to financial guarantees given on behalf of group companies.

### b) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group assessed the concentration of risk with respect to its debt and concluded it to be low. The

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for the year ended March 31, 2023

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Group remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Group.

Financial liabilities	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Borrowings	14,320.22	2,482.13	16,802.35
Lease liabilities	304.52	652.67	957.19
Trade payables	1,00,817.69	-	1,00,817.69
Other financial liabilities	23,649.18	-	23,649.18
<b>Total</b>	<b>1,39,091.61</b>	<b>3,134.80</b>	<b>1,42,226.41</b>

Financial liabilities	As at March 31, 2022		
	Less than 1 year	More than 1 year	Total
Borrowings	82,373.73	5,268.19	87,641.92
Lease liabilities	238.66	433.53	672.19
Trade payables	1,07,639.72	-	1,07,639.72
Other financial liabilities	22,148.90	-	22,148.90
<b>Total</b>	<b>2,12,401.01</b>	<b>5,701.72</b>	<b>2,18,102.73</b>

### c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023 and March 31, 2022.

#### Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the Group's fixed rate financial liabilities to interest rate risk is as follows:

The exposure of the Group's financial liabilities to interest rate risk is as follows:

	As at	Closing balance	Impact on profit or loss	
			1% increase	1% decrease
Borrowings (Impact on profit and loss)	March 31, 2023	16,263.64	(162.64)	162.64
Borrowings (Impact on profit and loss)	March 31, 2022	86,802.72	(868.03)	868.03

## Notes to the consolidated financial statements

for the year ended March 31, 2023

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### Price risk

The Group manages surplus funds through investments in mutual fund plans. The NAV declared by Asset Management Companies (AMC) has generally remained constant on the mutual fund plans taken by the Group. However, if the NAV of the fund is increased/decreased by 5%, the sensitivity analysis has been mentioned below:

	As at	Closing balance	Impact on profit or loss	
			5% increase	5% decrease
Investments in mutual funds (Impact on profit and loss)	March 31, 2023	1,07,547.41	5,377.37	(5,377.37)
Investments in mutual funds (Impact on profit and loss)	March 31, 2022	87,446.18	4,372.31	(4,372.31)

### Commodity Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Group's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Group's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2023, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

### Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, JPY, CHF and GBP exchange rates, with all other variables held constant. The impact on the Group profit before tax and equity is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Group that have not been hedged by a derivative instrument or otherwise are as under:

Nature	Currency	March 31, 2023		Impact on profit before tax and equity	
		Foreign Currency in lacs	Indian Rupees in lacs	1% increase in lacs	1% decrease in lacs
Receivable	US Dollar (USD)	35.62	2,927.87	29.28	(29.28)
Receivable	EURO (EUR)	1.18	105.70	1.06	(1.06)
Payable	EURO (EUR)	1.54	137.67	(1.38)	1.38
Payable	Swiss France (CHF)	0.08	7.62	(0.08)	0.08
Payable	US Dollar (USD)	30.72	2,524.98	(25.25)	25.25
Payable	Pound (GBP)	0.17	17.67	(0.18)	0.18
Investment	Pound (GBP)	20.00	2,007.70	20.08	(20.08)

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Nature	Currency	March 31, 2022		Impact on profit before tax and equity	
		Foreign Currency in lacs	Indian Rupees in lacs	1% increase in lacs	1% decrease in lacs
Receivable	US Dollar (USD)	222.41	16,857.76	168.58	(168.58)
Receivable	EURO (EUR)	0.02	1.56	0.02	(0.02)
Payable	US Dollar (USD)	30.76	2,332.95	(23.33)	23.33
Payable	EURO (EUR)	6.05	509.00	(5.09)	5.09
Payable	Japanese Yen (JPY)	13.95	8.67	(0.09)	0.09

### 43 Related party disclosures

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time)), as disclosed below:-

#### 43 (i) List of related parties and relationships

Subsidiaries	Lifestar Pharma Private Limited*
	Magnet Labs Private Limited*
	Shree Jee Laboratory Private Limited
	Lifestar Pharma LLC
	Mankind Pharma Pte Limited
	Medipack Innovations Private Limited
	Broadway Hospitality Services Private Limited
	Pavi Buildwell Private Limited
	Prolijune Lifesciences Private Limited
	Jaspack Industries Private Limited
	Packtime Innovations Private Limited
	Mahananda Spa and Resorts Private Limited
	Relax Pharmaceuticals Private Limited
	Copmed Pharmaceuticals Private Limited
	Vetbesta Labs (Partnership firm)
	Mediforce Healthcare Private Limited
	JPR Labs Private Limited
	Appian Properties Private Limited
	Pharma Force Labs (Partnership firm)
	Pharmaforce Excipients Private Limited
	Penta Latex LLP (Limited liability partnership firm)



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	Mankind Specialities (Partnership firm)
	North East Pharma Pack (Partnership firm)
	Superba Warehousing LLP (Limited liability partnership firm)
	Mankind Prime Labs Private Limited
	Lifestar Pharmaceuticals Private Limited
	Mediforce Research Private Limited
	Qualitek Starch Private Limited
	Appify Infotech LLP (Limited liability partnership firm) (w.e.f. 01.10.2021)
	Mankind Consumer Healthcare Private Limited
	Mankind Pharma FZ LLC
	Mankind Lifesciences Private Limited (w.e.f. 06.09.2021)
	Mankind Agritech Private Limited (w.e.f. 06.04.2022)
	Upakarma Ayurveda Private Limited (w.e.f. 09.11.2022)
Joint Ventures	Superba Developers (Partnership firm)
	Superba Buildwell (South) (Partnership firm)
	Superba Buildwell (Partnership firm)
Associates	ANM Pharma Private Limited
	Sirmour Remedies Private Limited
	Om Sai Pharma Pack (Partnership firm) (upto 30.11.2021)
	J K Print Packs (Partnership firm)
	A. S. Packers (Partnership firm)
	N.S. Industries (Partnership firm)
Key Management Personnel (KMP)	<b>Chairman and Whole Time Director</b>
	Ramesh Juneja
	<b>Vice Chairman and Managing Director</b>
	Rajeev Juneja
	<b>Chief Executive Officer and Whole Time Director</b>
	Sheetal Arora
	<b>Whole Time Directors</b>
	Satish Kumar Sharma
	<b>Non- Executive Directors</b>
	Prabha Arora (ceased to be a director w.e.f. 01.08.2022)
	Leonard Lee Kim (ceased to be a director w.e.f. 09.05.2023)
	Adheraj Singh (alternate to Leonard Lee Kim- ceased to be a director w.e.f. 09.05.2023)
	<b>Independent Directors</b>
	Surendra Lunia
	T .P. Ostwal
	Bharat Anand
	Vijaya Sampath (w.e.f. 01.08.2022)
	Vivek Kalra (w.e.f. 01.08.2022)
	<b>Chief Operating Officer</b>
	Arjun Juneja
	<b>Chief Financial Officer</b>
	Ashutosh Dhawan
	<b>Company Secretary</b>
	Pradeep Chugh

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Relatives of KMP (with whom transactions have taken place)	Eklavya Juneja
	Chanakya Juneja
	Anshul Sikri
	Vikas Tewari
	Esha Arora Tewari
	Nidhi Arora
	Ria Chopra Juneja
	Puja Juneja
	Poonam Juneja
Others (with whom transactions have taken place) includes the following-:	
a. Entities under the control, joint control or significant influence of KMP or their relatives.	Alankrit Handicrafts Private Limited
	A To Z Packers (Partnership firm)
	JC Juneja Foundation
	Indu Buildwell Private Limited
	Nextwave (India) (Partnership firm)
	Paonta Process Equipments (Partnership firm)
	Printman (Partnership firm)
	Rashi Apparels Private Limited
	Rashmi Exports Private Limited
	Om Sai Pharma Pack (Partnership firm) (w.e.f. 01.12.2021)
	Teen Murti Product Private Limited
	Pathkind Diagnostics Private Limited
	Ramesh Juneja Family Trust
	Casablanca Securities Private Limited
	Rajeev Juneja Family Trust
	Prem Sheetal Family Trust
	Intercity Corporate Towers LLP (Limited liability partnership firm)
	Star Infra Developers Private Limited
	T. P. Ostwal & Associates LLP (Limited liability partnership firm)
	Appian Associates Infrastructure Private Limited
	Gyan Infrastructure Company Private Limited
	Mankind Biosys Private Limited
	Appian Projects LLP (Limited liability partnership firm)
	Appian Buildwell LLP (Limited liability partnership firm)
	Appian Buildrise LLP (Limited liability partnership firm)
	Appian Buildheights LLP (Limited liability partnership firm)
	Ayushi & Poonam Estates LLP (Limited liability partnership firm)
	Khaitan & Co. LLP (Limited liability partnership firm)
	Casablanca Pharma Private Limited
	Khanal Foods Private Limited
b. Post retirement benefits plan	Mankind Pharma (P) Limited Employees' Group Gratuity Trust
	Lifestar Pharma Private Limited Employees' Group Gratuity Assurance Scheme
	Magnet Labs Private Limited Employees' Group Gratuity Assurance Scheme
	Medipack Innovation Private Limited Employees' Group Gratuity Assurance Scheme

\*Lifestar Pharma Private Limited and Magnet Labs Private Limited has been merged with Mankind Pharma Limited vide NCLT order dated March 02, 2023 and supplement order dated March 21, 2023.

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All amounts are in INR lacs unless otherwise stated

### 43 (ii) Transactions occurred during the year ended March 31, 2023

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>1 Sale of products</b>												
Sirmour Remedies Private Limited	235.17	260.20	-	-	-	-	-	-	-	-	235.17	260.20
Om Sai Pharma Pack*	-	-	-	-	0.15	-	-	-	-	-	0.15	-
Pathkind Diagnostics Private Limited	-	-	-	-	0.64	1.64	-	-	-	-	0.64	1.64
JK Print Packs	852.67	1,177.24	-	-	-	-	-	-	-	-	852.67	1,177.24
A To Z Packers	-	-	-	-	0.63	0.11	-	-	-	-	0.63	0.11
Intercity Corporate Towers LLP	-	-	-	-	-	0.57	-	-	-	-	-	0.57
N S Industries	-	0.10	-	-	-	-	-	-	-	-	-	0.10
Star infra Developers Private Limited	-	-	-	-	-	0.30	-	-	-	-	-	0.30
Next Wave (India)	-	-	-	-	-	0.04	-	-	-	-	-	0.04
JC Juneja Foundation	-	-	-	-	5.57	6.32	-	-	-	-	5.57	6.32
	<b>1,087.84</b>	<b>1,437.54</b>	-	-	<b>6.99</b>	<b>8.98</b>	-	-	-	-	<b>1,094.83</b>	<b>1,446.52</b>
<b>2 Sale of services</b>												
Pathkind Diagnostics Private Limited	-	-	-	-	-	15.04	-	-	-	-	44.76	15.04
Sirmour Remedies Private Limited	123.09	116.08	-	-	-	-	-	-	-	-	123.09	116.08
A To Z Packers	-	-	-	-	0.15	0.17	-	-	-	-	0.15	0.17
A S Packers	0.30	0.44	-	-	-	-	-	-	-	-	0.30	0.44
JK Print Packs	31.37	24.59	-	-	-	-	-	-	-	-	31.37	24.59
N S Industries	0.09	0.10	-	-	-	-	-	-	-	-	0.09	0.10
Next Wave (India)	-	-	-	-	0.25	0.07	-	-	-	-	0.25	0.07
Om Sai Pharma Pack*	-	2.40	-	-	2.05	-	-	-	-	-	2.05	2.40
Ayushi and Poonam Estates LLP	-	-	-	-	-	3.44	-	-	-	-	-	3.44
Eklavya Juneja	-	-	-	-	-	-	-	-	36.83	-	36.83	-

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All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Ramesh Juneja	-	-	-	-	-	-	21.36	-	-	-	21.36	-
Rajeev Juneja	-	-	-	-	-	-	9.62	-	-	-	9.62	-
	<b>154.85</b>	<b>143.61</b>	-	-	<b>47.21</b>	<b>18.72</b>	<b>30.98</b>	-	<b>36.83</b>	-	<b>269.87</b>	<b>162.33</b>
<b>3 Interest income on financial assets- loans</b>												
Casablanca Securities Private Limited	-	-	-	-	-	275.05	-	-	-	-	-	275.05
Om Sai Pharma Pack*	-	-	-	-	18.09	-	-	-	-	-	18.09	-
	-	-	-	-	<b>18.09</b>	<b>275.05</b>	-	-	-	-	<b>18.09</b>	<b>275.05</b>
<b>4 Sale of property, plant and equipment</b>												
JK Print Packs	37.98	12.34	-	-	-	-	-	-	-	-	37.98	12.34
	<b>37.98</b>	<b>12.34</b>	-	-	-	-	-	-	-	-	<b>37.98</b>	<b>12.34</b>
<b>5 Purchase of traded goods (net)</b>												
ANM Pharma Private Limited	5,444.86	2,877.08	-	-	-	-	-	-	-	-	5,444.86	2,877.08
Om Sai Pharma Pack*	-	2,770.80	-	-	151.41	1,704.67	-	-	-	-	151.41	4,475.47
Sirmour Remedies Private Limited	9,287.17	9,025.38	-	-	-	-	-	-	-	-	9,287.17	9,025.38
A To Z Packers	-	-	-	-	1,623.73	1,553.44	-	-	-	-	1,623.73	1,553.44
A S Packers	2,010.61	2,144.33	-	-	-	-	-	-	-	-	2,010.61	2,144.33
JK Print Packs	5,746.83	8,167.18	-	-	-	-	-	-	-	-	5,746.83	8,167.18
N S Industries	1,794.94	1,807.24	-	-	-	-	-	-	-	-	1,794.94	1,807.24
Next Wave (India)	-	-	-	-	9,407.96	11,495.61	-	-	-	-	9,407.96	11,495.61
Printman	-	-	-	-	144.59	210.93	-	-	-	-	144.59	210.93
Paonta Process Equipments	-	-	-	-	10.90	-	-	-	-	-	10.90	-
	<b>24,284.41</b>	<b>26,792.01</b>	-	-	<b>11,338.59</b>	<b>14,964.65</b>	-	-	-	-	<b>35,623.00</b>	<b>41,756.66</b>

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Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>6 Purchase of Raw Material and other components</b>												
Sirmour Remedies Private Limited	4.97	40.15	-	-	-	-	-	-	-	-	4.97	40.15
A To Z Packers	-	-	-	-	466.37	541.72	-	-	-	-	466.37	541.72
A S Packers	2,252.94	2,375.83	-	-	-	-	-	-	-	-	2,252.94	2,375.83
J K Print Packs	1,147.30	1,025.65	-	-	-	-	-	-	-	-	1,147.30	1,025.65
N S Industries	2,994.55	2,730.70	-	-	-	-	-	-	-	-	2,994.55	2,730.70
Paonta Process Equipments	-	-	-	-	7.23	27.87	-	-	-	-	7.23	27.87
JC Juneja Foundation	-	-	-	-	1.17	0.37	-	-	-	-	1.17	0.37
Om Sai Pharma Pack*	-	240.18	-	-	333.57	-	-	-	-	-	333.57	240.18
Printman	-	-	-	-	240.92	23.41	-	-	-	-	240.92	23.41
ANM Pharma Private Limited	421.26	-	-	-	-	-	-	-	-	-	421.26	-
	<b>6,821.02</b>	<b>6,412.51</b>	-	-	<b>1,049.26</b>	<b>593.37</b>	-	-	-	-	<b>7,870.28</b>	<b>7,005.88</b>
<b>7 Purchase of property, plant and equipment</b>												
Paonta Process Equipments	-	-	-	-	987.35	320.79	-	-	-	-	987.35	320.79
J K Print Packs	-	2.73	-	-	-	-	-	-	-	-	-	2.73
Sirmour Remedies Private Limited	0.79	-	-	-	-	-	-	-	-	-	0.79	-
	<b>0.79</b>	<b>2.73</b>	-	-	<b>987.35</b>	<b>320.79</b>	-	-	-	-	<b>988.14</b>	<b>323.52</b>
<b>8 Services received</b>												
Sirmour Remedies Private Limited	128.45	161.89	-	-	-	-	-	-	-	-	128.45	161.89
Teen Murti Products Private Limited	-	-	-	-	420.14	64.10	-	-	-	-	420.14	64.10
A To Z Packers	-	-	-	-	-	0.16	-	-	-	-	-	0.16
N S Industries	-	0.01	-	-	-	-	-	-	-	-	-	0.01
A S Packers	-	0.36	-	-	-	-	-	-	-	-	-	0.36
Pathkind Diagnostics Private Limited	-	-	-	-	27.20	10.62	-	-	-	-	27.20	10.62

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Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Paonta Process Equipments	-	-	-	-	125.39	72.52	-	-	-	-	125.39	72.52
JC Juneja Foundation	-	-	-	-	0.22	0.20	-	-	-	-	0.22	0.20
J K Print Packs	4.51	5.63	-	-	-	-	-	-	-	-	4.51	5.63
ANM Pharma Private Limited	-	13.60	-	-	-	-	-	-	-	-	-	13.60
Khaitan & Co. LLP	-	-	-	-	-	114.31	-	-	-	-	-	114.31
T. P. Ostwal & Associates LLP	-	-	-	-	39.30	1.48	-	-	-	-	39.30	1.48
	<b>132.96</b>	<b>181.49</b>	-	-	<b>612.25</b>	<b>263.39</b>	-	-	-	-	<b>745.21</b>	<b>444.88</b>
<b>9 Rent expense</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	348.87	483.26	-	-	-	-	348.87	483.26
Superba Buildwell	-	-	479.41	479.41	-	-	-	-	-	-	479.41	479.41
Superba Buildwell (South)	-	-	237.24	224.76	-	-	-	-	-	-	237.24	224.76
Superba Developers	-	-	277.74	254.67	-	-	-	-	-	-	277.74	254.67
J K Print Packs	-	1.32	-	-	-	-	-	-	-	-	-	1.32
	-	<b>1.32</b>	<b>994.39</b>	<b>958.84</b>	<b>348.87</b>	<b>483.26</b>	-	-	-	-	<b>1,343.26</b>	<b>1,443.42</b>
<b>10 Reimbursement of expenses made on behalf of</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	0.83	0.21	-	-	-	-	0.83	0.21
Ayushi and Poonam Estates LLP	-	-	-	-	0.54	-	-	-	-	-	0.54	-
Star Infra Developers Private Limited	-	-	-	-	1.22	-	-	-	-	-	1.22	-
Mankind Biosys Private Limited	-	-	-	-	106.49	11.55	-	-	-	-	106.49	11.55
Casablanca Pharma Private Limited	-	-	-	-	0.05	-	-	-	-	-	0.05	-
	-	-	-	-	<b>109.13</b>	<b>11.76</b>	-	-	-	-	<b>109.13</b>	<b>11.76</b>
<b>11 Reimbursement of expenses paid</b>												
Prem Kumar Arora	-	-	-	-	-	-	3.71	1.32	-	-	-	3.71
Ramesh Juneja	-	-	-	-	-	-	-	2.19	-	-	-	2.19
Chanakya Juneja	-	-	-	-	-	-	-	-	0.11	2.26	-	2.26



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Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Rajeev Juneja	-	-	-	-	-	-	64.21	52.10	-	-	64.21	52.10
Arun Juneja	-	-	-	-	-	-	13.47	4.58	-	-	13.47	4.58
Sheetal Arora	-	-	-	-	-	-	35.76	4.11	-	-	35.76	4.11
	-	-	-	-	-	-	117.15	64.30	0.11	2.26	117.26	66.56
<b>12 Capital withdrawn</b>												
Superba Buildwell	-	-	216.00	178.00	-	-	-	-	-	-	216.00	178.00
Superba Buildwell (South)	-	-	258.60	175.00	-	-	-	-	-	-	258.60	175.00
Superba Developers	-	-	160.16	111.00	-	-	-	-	-	-	160.16	111.00
Om Sai Pharma Pack*	-	1,167.20	-	-	-	-	-	-	-	-	-	1,167.20
J K Print Packs	99.00	166.75	-	-	-	-	-	-	-	-	99.00	166.75
N S Industries	200.00	-	-	-	-	-	-	-	-	-	200.00	-
	299.00	1,333.95	634.76	464.00	-	-	-	-	-	-	933.76	1,797.95
<b>13 Share in profit</b>												
ANM Pharma Private Limited	32.66	77.46	-	-	-	-	-	-	-	-	32.66	77.46
Om Sai Pharma Pack*	-	143.24	-	-	-	-	-	-	-	-	-	143.24
Sirmour Remedies Private Limited	185.84	217.49	-	-	-	-	-	-	-	-	185.84	217.49
A S Packers	231.11	239.53	-	-	-	-	-	-	-	-	231.11	239.53
J K Print Packs	117.70	94.12	-	-	-	-	-	-	-	-	117.70	94.12
N S Industries	257.79	296.95	-	-	-	-	-	-	-	-	257.79	296.95
Superba Buildwell	-	-	165.11	149.18	-	-	-	-	-	-	165.11	149.18
Superba Developers	-	-	96.48	77.96	-	-	-	-	-	-	96.48	77.96
Superba Buildwell (South)	-	-	162.58	148.55	-	-	-	-	-	-	162.58	148.55
	825.10	1,068.79	424.17	375.69	-	-	-	-	-	-	1,249.27	1,444.48
<b>14 Capital contribution</b>												
Superba Buildwell	-	-	487.00	436.00	-	-	-	-	-	-	487.00	436.00
Superba Developers	-	-	1,119.00	629.00	-	-	-	-	-	-	1,119.00	629.00
	-	-	1,606.00	1,065.00	-	-	-	-	-	-	1,606.00	1,065.00

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>15 Contribution to post retirement benefit scheme</b>												
Mankind Pharma (P) Limited Employees' Group Gratuity Trust	-	-	-	-	649.00	721.89	-	-	-	-	649.00	721.89
Lifestar Pharma Private Limited Employees' Group Gratuity Assurance Scheme	-	-	-	-	192.00	110.42	-	-	-	-	192.00	110.42
Magnet Labs Private Limited Employees' Group Gratuity Assurance Scheme	-	-	-	-	41.00	92.77	-	-	-	-	41.00	92.77
Medipack Innovation Private Limited Employees' Group Gratuity Assurance Scheme	-	-	-	-	28.14	13.36	-	-	-	-	28.14	13.36
	-	-	-	-	910.14	938.44	-	-	-	-	910.14	938.44
<b>16 Remuneration paid*</b>												
Eklavya Juneja	-	-	-	-	-	-	-	-	31.16	97.63	31.16	97.63
Chanakya Juneja	-	-	-	-	-	-	-	-	39.09	39.09	39.09	39.09
	-	-	-	-	-	-	-	-	70.25	136.72	70.25	136.72
* Does not include the provision made for gratuity and leave benefits, as they are determined on actuarial basis for all employees together.												
<b>17 Loan taken from</b>												
Mankind Biosys Private Limited	-	-	-	-	-	35.00	-	-	-	-	-	35.00
	-	-	-	-	-	35.00	-	-	-	-	-	35.00
<b>18 Interest expense</b>												
Mankind Biosys Private Limited	-	-	-	-	0.55	5.83	-	-	-	-	0.55	5.83
Alankrit Handicrafts Private Limited	-	-	-	-	13.34	19.01	-	-	-	-	13.34	19.01
A To Z Packers	-	-	-	-	0.05	-	-	-	-	-	0.05	-
A S Packers	5.38	-	-	-	-	-	-	-	-	-	5.38	-
	5.38	-	-	-	13.94	24.84	-	-	-	-	13.94	24.84

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>19 Repayment of borrowings</b>												
Mankind Biosys Private Limited	-	-	-	-	70.00	-	-	-	-	-	70.00	-
Alankrit Handicrafts Private Limited	-	-	-	-	200.00	-	-	-	-	-	200.00	-
Sheetal Arora	-	-	-	-	-	-	1.00	-	-	-	1.00	-
Rajeev Juneja	-	-	-	-	-	-	1.00	-	-	-	1.00	-
Arjun Juneja	-	-	-	-	-	-	1.00	-	-	-	1.00	-
	-	-	-	-	270.00	-	3.00	-	-	-	273.00	-
<b>20 Sale of investment</b>												
Anshul Sikri	-	-	-	-	-	-	-	-	-	1,677.20	-	1,677.20
<b>21 Profit Commission</b>												
Surendra Lunia	-	-	-	-	-	-	18.00	18.00	-	-	18.00	18.00
T .P. Ostwal	-	-	-	-	-	-	30.00	25.00	-	-	30.00	25.00
Bharat Anand #	-	-	-	-	-	-	18.00	18.00	-	-	18.00	18.00
Vijaya Sampath	-	-	-	-	-	-	30.00	-	-	-	30.00	-
Vivek Kalra	-	-	-	-	-	-	25.00	-	-	-	25.00	-
	-	-	-	-	-	-	121.00	61.00	-	-	121.00	61.00
<b>22 Donations</b>												
JC Juneja Foundation	-	-	-	-	313.36	295.99	-	-	-	-	313.36	295.99
	-	-	-	-	313.36	295.99	-	-	-	-	313.36	295.99
<b>23 Security Deposit</b>												
Superba developers	-	-	53.76	-	-	-	-	-	-	-	53.76	-
	-	-	53.76	-	-	-	-	-	-	-	53.76	-
<b>24 Financial guarantee commission income</b>												
ANM Pharma Private Limited	60.00	60.00	-	-	-	-	-	-	-	-	60.00	60.00
	60.00	60.00	-	-	-	-	-	-	-	-	60.00	60.00

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>25 Reversal of impairment of doubtful loans</b>												
Casablanca Securities Private Limited	-	-	-	-	-	1,500.00	-	-	-	-	-	1,500.00
Indu Buildwell Private Limited	-	-	-	-	-	271.06	-	-	-	-	-	271.06
	-	-	-	-	-	1,771.06	-	-	-	-	-	1,771.06
<b>26 Commission paid</b>												
ANM Pharma Private Limited	-	16.05	-	-	-	-	-	-	-	-	-	16.05
	-	16.05	-	-	-	-	-	-	-	-	-	16.05
<b>27 Investments purchased from</b>												
Rajeev Juneja	-	-	-	-	-	-	-	0.35	-	-	-	0.35
Sheetal Arora	-	-	-	-	-	-	-	0.28	-	-	-	0.28
Arjun Juneja	-	-	-	-	-	-	-	0.37	-	-	-	0.37
Vikas Tewari	-	-	-	-	-	-	-	-	19.40	-	-	19.40
Esha Arora Tewari	-	-	-	-	-	-	-	-	6.50	-	-	6.50
	-	-	-	-	-	-	-	1.00	25.90	-	-	26.90
<b>28 Investment in preference shares classified as FVTOCI</b>												
Khandal Foods Private Limited	-	-	-	-	-	2,698.98	-	-	-	-	-	2,698.98
	-	-	-	-	-	2,698.98	-	-	-	-	-	2,698.98
<b>29 Repayment of loan given</b>												
Casablanca Securities Private Limited	-	-	-	-	-	3,510.92	-	-	-	-	-	3,510.92
	-	-	-	-	-	3,510.92	-	-	-	-	-	3,510.92
<b>30 Director sitting fees</b>												
Surendra Lunia	-	-	-	-	-	-	14.00	6.80	-	-	14.00	6.80
T .P. Ostwal	-	-	-	-	-	-	10.00	6.00	-	-	10.00	6.00
Bharat Anand #	-	-	-	-	-	-	6.00	3.20	-	-	6.00	3.20
Vijaya Sampath	-	-	-	-	-	-	2.40	-	-	-	2.40	-
Vivek Kalra	-	-	-	-	-	-	2.40	-	-	-	2.40	-
	-	-	-	-	-	-	34.80	16.00	-	-	34.80	16.00

\* to be paid to M/s Khaitan & Co. LLP as per the declaration by Mr. Bharat Anand.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>31 Security deposits received back</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	78.71	-	-	-	-	-	78.71	-
<b>32 Liability transferred from</b>												
Mankind Biosys Private Limited	-	-	-	-	1.18	-	-	-	-	-	1.18	-
	-	-	-	-	1.18	-	-	-	-	-	1.18	-

\* Om Sai Pharma Pack was an associate upto November 30, 2021 and thereafter it was classified as others.

43 (iii) Balances outstanding as at the year end

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>1 Trade receivable</b>												
J K Print Packs	390.54	370.49	-	-	-	-	-	-	-	-	390.54	370.49
Sirmour Remedies Private Limited	43.23	0.39	-	-	-	-	-	-	-	-	43.23	0.39
Next Wave (India)	-	-	-	-	39.60	0.08	-	-	-	-	39.60	0.08
Star Infra Developers Private Limited	-	-	-	-	-	0.36	-	-	-	-	-	0.36
Pathkind Diagnostics Private Limited	-	-	-	-	2.55	5.40	-	-	-	-	2.55	5.40
Ayushi and Poonam Estates LLP	-	-	-	-	-	0.68	-	-	-	-	-	0.68
Intercity Corporate Towers LLP	-	-	-	-	0.06	-	-	-	-	-	0.06	-
ANM Pharma Private Limited	67.80	-	-	-	-	-	-	-	-	-	67.80	-
Ramesh Juneja	-	-	-	-	-	-	21.36	-	-	-	21.36	-
Eklavya Juneja	-	-	-	-	-	-	-	-	3.83	-	3.83	-
	501.57	370.88	-	-	42.21	6.52	21.36	-	3.83	-	568.97	377.40

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>2 Trade payables</b>												
A To Z Packers	-	-	-	-	275.20	277.81	-	-	-	-	275.20	277.81
A S Packers	865.80	845.69	-	-	-	-	-	-	-	-	865.80	845.69
ANM Pharma Private Limited	851.57	725.95	-	-	-	-	-	-	-	-	851.57	725.95
J K Print Packs	472.59	870.66	-	-	-	-	-	-	-	-	472.59	870.66
N S Industries	1,104.54	1,171.44	-	-	-	-	-	-	-	-	1,104.54	1,171.44
Superba Buildwell	-	-	6.70	-	-	-	-	-	-	-	6.70	-
Next Wave (India)	-	-	-	-	1,519.98	2,737.92	-	-	-	-	1,519.98	2,737.92
Om Sai Pharma Pack*	-	-	-	-	182.63	854.76	-	-	-	-	182.63	854.76
Paonta Process Equipments	-	-	-	-	1.27	21.63	-	-	-	-	1.27	21.63
Printman	-	-	-	-	89.72	78.37	-	-	-	-	89.72	78.37
Sirmour Remedies Private Limited	1,063.46	1,203.20	-	-	-	-	-	-	-	-	1,063.46	1,203.20
Teen Murti Products Private Limited	-	-	-	-	68.96	5.12	-	-	-	-	68.96	5.12
Pathkind Diagnostics Private Limited	-	-	-	-	5.10	0.95	-	-	-	-	5.10	0.95
Mankind Biosys Private Limited	-	-	-	-	59.79	-	-	-	-	-	59.79	-
	4,357.96	4,816.94	6.70	-	2,202.65	3,976.56	-	-	-	-	6,567.31	8,793.50
<b>3 Other assets- Advance to vendors</b>												
Pathkind Diagnostics Private Limited	-	-	-	-	0.78	2.83	-	-	-	-	0.78	2.83
Paonta Process Equipments	-	-	-	-	3.64	-	-	-	-	-	3.64	-
JC Juneja Foundation	-	-	-	-	14.05	-	-	-	-	-	14.05	-
Teen Murti Products Private Limited	-	-	-	-	-	5.16	-	-	-	-	-	5.16
	-	-	-	-	18.47	7.99	-	-	-	-	18.47	7.99
<b>4 Other financial assets: Security deposits</b>												
Alankrit Handicrafts Private Limited	-	-	-	-	30.20	163.35	-	-	-	-	30.20	163.35
Superba Developers	-	-	165.96	112.20	-	-	-	-	-	-	165.96	112.20



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Superba Buildwell	-	-	207.94	207.94	-	-	-	-	-	-	207.94	207.94
Superba Buildwell (South)	-	-	193.20	193.20	-	-	-	-	-	-	193.20	193.20
<b>5 Financial assets: Advances</b>												
Medipack Innovation Private Limited Employees' Group Gratuity Assurance Scheme	-	-	567.10	513.34	30.20	163.35	-	-	-	-	597.30	676.69
Arjun Juneja	-	-	-	-	0.17	0.17	-	-	-	-	0.17	0.17
<b>6 Financial assets: Investments</b>												
Superba Buildwell	-	-	2,184.74	1,748.63	-	-	-	-	-	-	2,184.74	1,748.63
Superba Buildwell (South)	-	-	2,624.74	2,720.76	-	-	-	-	-	-	2,624.74	2,720.76
Superba Developers	-	-	2,978.04	1,922.72	-	-	-	-	-	-	2,978.04	1,922.72
ANM Pharma Private Limited	378.60	342.38	-	-	-	-	-	-	-	-	378.60	342.38
Sirmour Remedies Private Limited	5,355.84	5,182.42	-	-	-	-	-	-	-	-	5,355.84	5,182.42
A S Packers	2,919.19	2,688.89	-	-	-	-	-	-	-	-	2,919.19	2,688.89
JK Print Packs	3,286.67	3,316.61	-	-	-	-	-	-	-	-	3,286.67	3,316.61
N S Industries	3,863.30	3,801.87	-	-	-	-	-	-	-	-	3,863.30	3,801.87
Khanal Foods Private Limited	-	-	-	-	2,883.22	2,700.00	-	-	-	-	2,883.22	2,700.00
<b>7 Financial assets: Impairment on Investments</b>	<b>15,803.60</b>	<b>15,332.17</b>	<b>7,787.52</b>	<b>6,392.11</b>	<b>2,883.22</b>	<b>2,700.00</b>	-	-	-	-	<b>26,474.34</b>	<b>24,424.28</b>
<b>8 Remuneration payable to KMP</b>												
Sirmour Remedies Private Limited	2,500.00	2,500.00	-	-	-	-	-	-	-	-	2,500.00	2,500.00
JK Print Packs	2,550.00	2,050.00	-	-	-	-	-	-	-	-	2,550.00	2,050.00
N S Industries	400.00	400.00	-	-	-	-	-	-	-	-	400.00	400.00
<b>9 Remuneration payable to KMP</b>	<b>5,450.00</b>	<b>4,950.00</b>	-	-	-	-	-	-	-	-	<b>5,450.00</b>	<b>4,950.00</b>
Chanakya Juneja	-	-	-	-	-	-	-	-	-	0.24	-	0.24
	-	-	-	-	-	-	-	-	-	0.24	-	0.24

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>9 Financial Liabilities: Borrowings</b>												
Mankind Biosys Private Limited	-	-	-	-	-	95.02	-	-	-	-	-	95.02
Alankrit Handicrafts Private Limited	-	-	-	-	-	247.58	-	-	-	-	-	247.58
Arjun Juneja	-	-	-	-	-	-	1.00	-	-	-	-	1.00
Sheetal Arora	-	-	-	-	-	-	1.00	-	-	-	-	1.00
Rajeev Juneja	-	-	-	-	-	-	1.00	-	-	-	-	1.00
	-	-	-	-	-	342.60	3.00	-	-	-	-	345.60
<b>10 Financial guarantees given</b>												
ANM Pharma Private Limited	10,000.00	10,000.00	-	-	-	-	-	-	-	-	10,000.00	10,000.00
<b>11 Contract liabilities</b>	<b>10,000.00</b>	<b>10,000.00</b>	-	-	-	-	-	-	-	-	<b>10,000.00</b>	<b>10,000.00</b>
Sirmour Remedies Private Limited	-	0.09	-	-	-	-	-	-	-	-	-	0.09
Pathkind Diagnostics Private Limited	-	-	-	-	0.01	-	-	-	-	-	0.01	-
	-	0.09	-	-	0.01	-	-	-	-	-	0.01	0.09
<b>12 Commission payable</b>												
Surendra Lunia	-	-	-	-	-	-	17.64	16.20	-	-	17.64	16.20
T. P. Ostwal	-	-	-	-	-	-	28.08	22.50	-	-	28.08	22.50
Bharat Anand*	-	-	-	-	-	-	16.20	16.20	-	-	16.20	16.20
Vijaya Sampath	-	-	-	-	-	-	27.36	-	-	-	27.36	-
Vivek Kalra	-	-	-	-	-	-	22.86	-	-	-	22.86	-
	-	-	-	-	-	-	112.14	54.90	-	-	112.14	54.90
* to be paid to M/s Khaitan & Co. LLP as per the declaration by Mr. Bharat Anand.												
<b>13 Other payables</b>												
Prem Kumar Arora	-	-	-	-	-	-	0.06	0.10	-	-	0.06	0.10
Ramesh Juneja	-	-	-	-	-	-	-	2.19	-	-	-	2.19
Rajeev Juneja	-	-	-	-	-	-	-	0.69	-	-	-	0.69

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Particulars	Associates		Joint ventures		Others		KMP		Relatives of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	
Sheetal Arora	-	-	-	-	-	0.01	-	-	-	-	-	0.01
Chanakya Juneja	-	-	-	-	-	-	-	0.24	-	-	-	0.24
<b>14 Other receivables</b>	-	-	-	-	-	2.99	-	0.24	-	-	-	3.23
Om Sai Pharma Pack*	-	-	176.65	400.60	-	-	-	-	-	176.65	400.60	400.60
	-	-	<b>176.65</b>	<b>400.60</b>	-	-	-	-	-	<b>176.65</b>	<b>400.60</b>	<b>400.60</b>

\* Om Sai Pharma Pack was an associate upto November 30, 2021 and thereafter it was classified as others.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 43 (iv) Remuneration of KMP\*

The remuneration of key management personnel of the Group are set out below in aggregate for each of the categories specified in Ind AS 24 Related Party disclosures:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits *	5,377.60	5,322.60
Commission	2,617.82	2,617.82
	<b>7,995.42</b>	<b>7,940.42</b>

\*Includes perquisites, allowance and bonus and does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

### Remuneration payable to KMP

Particulars	As at March 31, 2023	As at March 31, 2022
Remuneration payable to KMP	2,617.82	2,617.82

### Note:

- (i) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for the loans given which carry interest at arms length. The settlement for these balances occurs in cash. There have been no guarantees provided or received for any related party receivables or payables other than disclosed above. Further, the Group has not recorded any impairment of receivables relating to amounts owed by related parties other than those disclosed above. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### 44 Employee Share Based Payment

Employee Stock Option Scheme "ESOP-2022" was approved by our Board of Directors in their meeting held on July 19, 2022 and by the shareholders of Holding Company in Holding Company's meeting dated August 9, 2022 respectively. Under ESOP-2022, Nomination and Remuneration Committee is authorised to grant 81,75,274 options to eligible employees in one more tranches. Options granted under ESOP-2022 shall not vest earlier than a minimum vesting period of one year and not later than a maximum vesting period of four years from date of grant. The exercise period in respect of vested options shall be subject to maximum period of five years commencing from the date of vesting. The options granted under ESOP-2022 carry no rights to dividends and no voting rights till the date of exercise.

The fair value of the share options is estimated at the grant date using Black- Scholes Model, taking into account the terms and conditions upon which the share options were granted.

The Holding Company has recognised an expense of INR 5.91 lacs (March 31, 2022 : INR Nil) on grant of 10,46,512 ESOP granted during the year in accordance with Ind AS 102 "Share Based Payments". The carrying amount of Employee stock options outstanding reserve as at March 31, 2023 is INR 5.91 Lacs (March 31, 2022: INR Nil).

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for the year ended March 31, 2023

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As at the end of the financial year, details and movements of the outstanding options are as follows:

(a) Scheme Name ESOP-2022

Particulars	As at March 31, 2023	Weighted average exercise price per share option (INR)	As at March 31, 2022	Weighted average exercise price per share option (INR)
Options outstanding at the beginning of the year	-	-	-	-
Options granted during the year	10,46,512.00	860.00	-	-
Options forfeited during the year	-	-	-	-
Options expired/lapsed during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options outstanding at the end of the year	10,46,512.00	860.00	-	-
Exercisable at the end of the year				

No options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Vesting date	Exercise price (INR)	Share options March 31, 2023	Share options March 31, 2022
March 31, 2023	March 31, 2024	860.00	1,04,651	-
March 31, 2023	March 31, 2025	860.00	2,09,302	-
March 31, 2023	March 31, 2026	860.00	3,13,954	-
March 31, 2023	March 31, 2027	860.00	4,18,605	-

(b) For options outstanding at the end of the year:

Exercise price range	860.00	-
Weighted average remaining contractual life (in years)	4.00	-

(c) Fair value of options granted

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	ESOP-2022
	March 31, 2023
Market Price (Rupees)	1,075.34
Dividend yield (%)	0.00%
Expected life (years)	3.51 to 6.51
Risk free interest rate (%)	7.15%- 7.17%
Volatility (%)	27.30%-27.85%
Exercise Price (Rupees)	860.00
Vesting period	1 to 4 years
Fair value of shares on date of grant	541.15
Fair value of options	538.40

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The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The volatility is based on annualised standard deviation of the continuously compounded rates of return based on the peer companies and competitive stocks over a period of time. The Holding Company has determined the market price on grant date based on latest equity valuation report available with the Holding Company preceding the grant date.

### 45 Segment Information

#### 45.1 Description of Segment and principal activities

As per Ind AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) the Group's chief operating decision maker, i.e. Managing Director ('CODM') has identified pharmaceuticals and other related products as the reportable segments. Since the Group is having only one reportable segment hence disclosure requirement as per Ind AS 108 is not applicable.

#### 45.2 Geographical Information

The following table provides an analysis of the Group's sales by region in which the customer is located, irrespective of the origin of the goods.

Particulars	Revenue from operations				Non-current assets*	
	Revenue from contracts with customers		Other operating revenues		As at March 31, 2023	As at March 31, 2022
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022		
In India	8,44,702.35	7,59,474.79	657.83	-	4,84,418.22	4,35,282.00
Outside India	29,583.12	18,680.72	-	-	2,997.28	1,102.74
<b>Total</b>	<b>8,74,285.47</b>	<b>7,78,155.51</b>	<b>657.83</b>	<b>-</b>	<b>4,87,415.50</b>	<b>4,36,384.74</b>

\*Non-Current assets for this purpose excludes non-current investments and investment in associates and joint ventures, non-current financial assets, income tax, loans and deferred tax assets.

#### 45.3 No single customer has accounted for more than 10% of the Group's revenue for the year ended March 31, 2023 and March 31, 2022.

### 46 Earnings per Equity Shares

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

Particulars	Units	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to equity holders of the parent	(INR /lacs)	1,28,185.91	1,43,347.59
Weighted average number of equity shares outstanding during the year for basic earnings per share	Numbers	40,05,88,440	40,05,88,440
Weighted average number of equity shares outstanding during the year for diluted earnings per share	Numbers	40,05,91,307	40,05,88,440
Nominal value of equity shares	INR	1.00	1.00
Basic earnings per share	INR	32.00	35.78
Diluted earnings per share	INR	32.00	35.78



## Notes to the consolidated financial statements

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47 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

### 48 Associates and Joint ventures

The Group does not have any material associates or joint ventures warranting a disclosure in respect of individual associates or jointly ventures.

**Aggregate information of share of profit/other comprehensive income/(loss)/Total other comprehensive income/(loss) of Associates and Joint Ventures that are not individually material.**

Particulars	Year ended March 31, 2023		
	Profit/(loss)	Other comprehensive income/(loss)	Total other comprehensive income/(loss)
<b>Associates:</b>			
ANM Pharma Private Limited	32.66	-	32.66
Sirmour Remedies Private Limited	183.47	2.37	185.84
A.S.Packers	230.78	0.33	231.11
J.K. Printpacks	113.43	4.27	117.70
N.S.Industries	257.91	(0.12)	257.79
<b>Joint ventures:</b>			
Superba Buildwell	165.11	-	165.11
Superba Developers	96.48	-	96.48
Superba Buildwell (South)	162.58	-	162.58
<b>Aggregate carrying amount of the Group's interests in these associates and joint ventures</b>	<b>1,242.42</b>	<b>6.85</b>	<b>1,249.27</b>

Particulars	Year ended March 31, 2022		
	Profit/(loss)	Other comprehensive income/(loss)	Total other comprehensive income/(loss)
<b>Associates:</b>			
ANM Pharma Private Limited	77.46	-	77.46
Om Sai Pharma Pack	143.24	-	143.24
Sirmour Remedies Private Limited	218.33	(0.84)	217.49
A.S.Packers	239.41	0.12	239.53
J.K. Printpacks	91.89	2.23	94.12
N.S.Industries	298.75	(1.80)	296.95
<b>Joint ventures:</b>			
Superba Buildwell	149.18	-	149.18
Superba Developers	77.96	-	77.96
Superba Buildwell (South)	148.55	-	148.55
<b>Aggregate carrying amount of the Group's interests in these associates and joint ventures</b>	<b>1,444.77</b>	<b>(0.29)</b>	<b>1,444.48</b>

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 49 Financial guarantees

The Holding Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its associate.

Refer below for details of the financial guarantees issued:

Name of Company	Amount of Guarantee given		Amount of loan outstanding against guarantees		Purpose
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	
ANM Pharma Private Limited	10,000.00	10,000.00	376.03	464.26	Extending fund based and non fund based credit facilities for capital expenditure and working capital requirement.
<b>Total</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>376.03</b>	<b>464.26</b>	

### 50 Goodwill/Capital Reserve on Consolidation

Goodwill arising on a business combination is allocated to the Group at the time of acquisition considering the Group is expected to benefit from that business combination. The carrying amount of goodwill is as follows:

A) a) Goodwill recognised in the consolidated financial statements is in respect of the following acquisitions:

Name of the entity	As at March 31, 2023	As at March 31, 2022
Jaspack Industries Private Limited	0.11	0.11
Shreejee Laboratories Private Limited	339.72	339.72
Broadway Hospitality Services Private Limited	546.38	546.38
Prolijune Lifesciences Private Limited	116.68	116.68
JPR Labs Private Limited	385.24	
Less: impairment loss	(385.24)	385.24
Upakarma Ayurveda Private Limited (refer note 53)	343.27	-
<b>Total</b>	<b>1,346.16</b>	<b>1,388.13</b>
Mankind Pharma Limited (on account of merger of Lifestar Pharma Private Limited and Magnet Labs Private Limited) (refer note 60)	656.09	656.09
<b>Total</b>	<b>2,002.25</b>	<b>2,044.22</b>

b) Below is the reconciliation of the carrying amount of goodwill:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Opening balance</b>	2,044.22	2,044.22
Add: On acquisitions during the year	343.27	-
Less: On account of impairment of goodwill	-	-
<b>Closing balance</b>	<b>2,387.49</b>	<b>2,044.22</b>

The carrying amount of goodwill are stated above. The recoverable amounts have been determined based on value in use calculations which uses cash flow projections covering generally a period of five years (which are based on key assumptions such as margins, expected growth rates based on past experience and Management expectations. (refer note 6 for detailed disclosure).

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### B) Capital reserve on consolidation :

Name of the entity	As at March 31, 2023	As at March 31, 2022
Relax Pharmaceuticals Private Limited	(11,302.20)	(11,302.20)
Copmed Pharmaceuticals Private Limited	(19,186.68)	(19,186.68)
Mediforce Healthcare Private Limited	(5,708.08)	(5,708.08)
Medipack Innovations Private Limited	17.16	17.16
Pharma Force Labs	(6,885.67)	(6,885.67)
Penta Latex LLP	(3,734.67)	(3,734.67)
<b>Total (refer note a below)</b>	<b>(46,800.14)</b>	<b>(46,800.14)</b>
Add: Adjustment on account of demerger (refer note b below)	(44,098.02)	(44,098.02)
<b>Total Capital reserve</b>	<b>(90,898.16)</b>	<b>(90,898.16)</b>

The negative capital reserve of INR 90,898.16 lacs includes following:-

- INR (46,800.14 lacs) being the difference between the consideration paid by the group and the share capital of the transferor entities namely; Relax Pharmaceutical Private Limited, Copmed Pharmaceutical Private Limited, Mediforce Healthcare Private Limited and Medipack innovation private Limited being amount of (INR 11,302.20 lacs), (INR 19,186.68 lacs), (INR 5,708.08 lacs), and INR 17.16 lacs respectively acquired on April 01, 2017 and Pharma Force Labs (Partnership firm) and Penta Latex LLP (a limited liability partnership firm) being amount of (INR 6,885.67 lacs) and (INR 3,734.67 lacs) respectively acquired on April 01, 2018, accounted then as common control business acquisitions in accordance with Appendix C to Ind AS 103: "Business Combination" of Entities under Common Control.
- INR (44,098.02 lacs) being net assets transferred in financial year 2018-19 in respect of the Group's leasing business to a related party, Mankind Biosys Limited in accordance with the Scheme of Demerger approved by the Hon'ble National Company Law Tribunal on May 18, 2018.

## Notes to the consolidated financial statements

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### 51 Disclosure of interest in Subsidiaries and Non Controlling Interest

#### a) Subsidiaries

The Group has following subsidiaries held directly and indirectly by the Parent Company i.e. Mankind Pharma Limited, which operate around the world. Following are the details of shareholdings in the subsidiaries :

S. No.	Name of Company	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest Proportion of Ownership Interest and Voting power held by the Group	
					As at March 31, 2023	As at March 31, 2022
1	Broadway Hospitality Services Private Limited	Hospitality business	Mankind Pharma Limited	India	100.00%	100.00%
2	Shree Jee Laboratory Private Limited	Manufacturing of bulk drugs	Mankind Pharma Limited	India	100.00%	100.00%
3	Prolijune Lifesciences Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%
4	Pavi Buildwell Private Limited	Real estate business	Mankind Pharma Limited	India	100.00%	100.00%
5	Medipack Innovations Private Limited	Manufacturing of packing materials	Mankind Pharma Limited	India	51.00%	51.00%
6	Jaspack Industries Private Limited	Manufacturing of packing materials	Mankind Pharma Limited	India	100.00%	100.00%
7	Mahananda Spa and Resorts Private Limited	Hospitality business	Mankind Pharma Limited	India	100.00%	100.00%
8	Lifestar Pharma LLC (refer note b)	Trading of pharmaceutical and health care products	Mankind Pharma Limited	United States of America	90.00%	90.00%
9	Mankind Pharma Pte Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	Singapore	100.00%	100.00%
10	Packtime Innovations Private Limited	Manufacturing of packing materials	Jaspack Industries Private Limited	India	90.00%	90.00%
11	Mankind Specialities (partnership firm)	Manufacturing of consumer goods	Mankind Pharma Limited	India	98.00%	98.00%
12	Appian Properties Private Limited	Core investment company	Mankind Pharma Limited	India	100.00%	100.00%
13	Relax Pharmaceuticals Private Limited	Manufacturing of pharmaceutical and health care products	Mankind Pharma Limited	India	63.00%	63.00%

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S. No.	Name of Company	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest Proportion of Ownership Interest and Voting power held by the Group	
					As at March 31, 2023	As at March 31, 2022
14	Copmed Pharmaceuticals Private Limited	Manufacturing of pharmaceutical and health care products	Mankind Pharma Limited	India	63.00%	63.00%
15	Vetbesta Labs (partnership firm)	Manufacturing of pharmaceutical and health care products	Copmed Pharmaceuticals Private Limited	India	60.48%	60.48%
16	Mediforce Healthcare Private Limited	Manufacturing of pharmaceutical and health care products	Mankind Pharma Limited	India	62.98%	62.98%
17	JPR Labs Private Limited	Manufacturing of bulk drugs	Mankind Pharma Limited	India	100.00%	100.00%
18	Penta Latex LLP	Manufacturing of condoms	Mankind Pharma Limited	India	68.00%	68.00%
19	Pharma Force Lab (partnership firm)	Manufacturing of pharmaceutical and health care products	Appian Properties Private Limited	India	63.00%	63.00%
20	Mediforce Research Private Limited	Manufacturing of pharmaceutical and health care products	Mediforce Healthcare Private Limited	India	61.72%	61.72%
21	Pharmaforce Excipients Private Limited	Manufacturing of pharmaceutical and health care products	Appian Properties Private Limited	India	63.00%	63.00%
22	Qualitek Starch private limited	Manufacturing of pharmaceutical and health care products	Relax Pharmaceuticals Private Limited	India	60.39%	58.77%
23	Superba Warehousing LLP (partnership firm)	Leasing business	Mankind Pharma Limited	India	51.00%	51.00%
24	North East Pharma Pack (partnership firm)	Manufacturing of packing materials	Mankind Pharma Limited	India	57.50%	57.50%
25	Lifestar Pharmaceuticals Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	Nepal	85.00%	85.00%
26	Mankind Prime Labs Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%
27	Mankind Life Sciences Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%
28	Appify Infotech LLP	IT services	Mankind Pharma Limited	India	100.00%	100.00%
29	Mankind Consumer Healthcare Private Limited	Trading of pharmaceutical and health care products	Mankind Pharma Limited	India	100.00%	100.00%

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All amounts are in INR lacs unless otherwise stated

S. No.	Name of Company	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest Proportion of Ownership Interest and Voting power held by the Group	
					As at March 31, 2023	As at March 31, 2022
30	Mankind Pharma FZ LLC	Export of pharmaceutical and health care products	Mankind Pharma Limited	UAE	100.00%	100.00%
31	Mankind Agritech Private Limited (refer note c)	Trading of Agriculture products	Mankind Pharma Limited	India	100.00%	-
32	Upakarma Ayurveda Private Limited (refer note d)	Trading of Ayurveda and health care products	Mankind Life Sciences Private Limited	India	90.00%	-

Note:

- The holding company applied for amalgamating its subsidiaries Lifestar Pharma Private Limited and Magnet Labs Private Limited with National Company Law Tribunal during the year ended March 31, 2022 which was approved during the year ended March 31, 2023 with an appointed date of April 01, 2021.
- The capital contribution in Lifestar Pharma LLC has been contributed solely (i.e. 100%) by Mankind Pharma Limited. In terms of agreement, the non-controlling interest of 10% is restricted to profit sharing only subject to complete repayment of 100 % capital contribution made by Mankind Pharma Limited.
- Mankind Agritech Private Limited was incorporated during the year ended March 31, 2023.
- Upakarma Ayurveda Private Limited was acquired during the year ended March 31, 2023.

### b) Details of Non-Wholly Owned Subsidiaries that have material Non Controlling Interest

Set out below are the details of the Non Controlling interests that are material to the Group as at March 31, 2023:

Name of the Subsidiary	Principal place of business	Proportion of Ownership Interest and voting rights held by non controlling interests	
		As at March 31, 2023	As at March 31, 2022
Medipack Innovations Private Limited	India	49.00%	49.00%
Relax Pharmaceuticals Private Limited	India	37.00%	37.00%
Copmed Pharmaceuticals Private Limited	India	37.00%	37.00%
Mediforce Healthcare Private Limited	India	37.02%	37.02%
Pharma Force Lab (partnership firm)	India	37.00%	37.00%
Penta Latex LLP	India	32.00%	32.00%
Superba Warehousing LLP (partnership firm)	India	49.00%	49.00%



Name of the Subsidiary	Principal place of business	Proportion of Ownership Interest and voting rights held by non controlling interests	
		As at March 31, 2023	As at March 31, 2022
North East Pharma Pack (partnership firm)	India	42.50%	42.50%
Mankind Specialities (partnership firm)	India	2.00%	2.00%
Packtime Innovations Private Limited	India	10.00%	10.00%
Vetbesta Labs (partnership firm)	India	39.52%	39.52%
Mediforce Research Private Limited	India	38.28%	38.28%
Pharmaforce Excipients Private Limited	India	37.00%	37.00%
Qualitek Starch private limited	India	39.61%	41.23%
Lifestar Pharmaceuticals Private Limited	Nepal	15.00%	15.00%
Upakarma Ayurveda Private Limited	India	10.00%	-

**c) The table shows summarized financial information of subsidiary of the Group that have material non-controlling interests before intragroup eliminations.**

Particulars (Balance sheet)	Medipack Innovations Private Limited		Relax Pharmaceuticals Private Limited		Copped Pharmaceuticals Private Limited		Mediforce Healthcare Private Limited		Pharma Force Labs		Penta Latex LLP		Superba warehousing LLP		North East Pharma Pack	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	
Current Assets	2,422.87	3,479.86	9,859.29	11,439.30	17,181.39	19,368.00	4,509.46	3,859.03	7,757.19	7,366.05	3,183.82	45.48	16.48	1,715.92	1,979.31	
Non Current Assets	1,099.38	1,174.49	4,542.26	3,600.06	10,204.08	5,433.12	2,934.31	2,974.88	8,201.93	7,716.16	8,399.14	1,355.22	1,385.78	2,392.06	2,406.50	
Current Liabilities	395.73	1,492.08	4,211.03	5,983.27	8,888.09	9,074.39	1,705.06	1,443.22	5,813.01	4,998.32	4,285.80	14.94	9.14	2,868.26	3,106.95	
Non Current Liabilities	84.84	244.72	278.64	267.31	261.36	130.45	304.97	302.21	515.56	387.24	2,213.39	-	-	481.86	868.09	
Equity Interest Attributable to the equity holders of the Company	3,041.68	2,917.55	9,911.88	8,788.78	18,236.02	15,596.28	5,433.74	5,088.48	9,630.55	9,696.65	5,083.77	1,385.76	1,393.12	757.86	410.77	

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Particulars (Profit or loss)	Medipack Innovations Private Limited		Relax Pharmaceuticals Private Limited		Copped Pharmaceuticals Private Limited		Mediforce Healthcare Private Limited		Pharma Force Labs		Penta Latex LLP		Superba warehousing LLP		North East Pharma Pack	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2022	
Revenue from operations	5,233.44	7,409.73	23,543.76	34,820.93	39,310.16	8,506.83	11,324.58	19,848.19	23,927.92	13,997.00	15,211.80	82.86	78.54	5,188.50	4,246.38	
Other Income	67.73	113.30	138.06	718.61	403.24	123.19	81.71	56.52	53.26	83.96	61.53	1.96	0.19	5.09	-	
Expenses	(5,141.81)	(6,813.03)	(21,187.15)	(32,050.27)	(36,241.13)	(8,144.73)	(10,416.77)	(18,948.03)	(21,747.13)	(13,021.57)	(13,945.27)	(35.62)	(28.06)	(4,847.18)	(4,266.04)	
Tax expense	(39.09)	(182.53)	(669.03)	(850.52)	(829.83)	(136.32)	(259.59)	(332.84)	(823.28)	(396.19)	(467.88)	(18.54)	(17.03)	0.21	0.36	
<b>Profit / (Loss) for the year</b>	<b>120.27</b>	<b>527.47</b>	<b>1,126.76</b>	<b>1,825.64</b>	<b>2,642.44</b>	<b>348.97</b>	<b>729.93</b>	<b>623.84</b>	<b>1,410.77</b>	<b>663.20</b>	<b>860.18</b>	<b>30.66</b>	<b>33.64</b>	<b>346.62</b>	<b>(19.30)</b>	
Profit/ (loss) attributable to the equity holders of the Company	61.34	269.01	709.86	1,150.15	1,664.74	219.78	459.86	393.02	888.79	450.98	584.92	15.64	17.16	199.31	(11.10)	
Profit/ (loss) attributable to the non controlling interest	58.93	258.46	416.90	675.49	977.70	129.19	270.07	230.82	521.98	212.22	275.26	15.02	16.48	147.31	(8.20)	
<b>Profit / (loss) for the year</b>	<b>120.27</b>	<b>527.47</b>	<b>1,126.76</b>	<b>1,825.64</b>	<b>2,638.75</b>	<b>348.97</b>	<b>729.93</b>	<b>623.84</b>	<b>1,410.77</b>	<b>663.20</b>	<b>860.18</b>	<b>30.66</b>	<b>33.64</b>	<b>346.62</b>	<b>(19.30)</b>	
Items that will not be reclassified to profit and loss	3.86	2.27	(3.66)	3.01	(16.60)	(3.71)	12.74	10.06	11.03	6.23	6.23	-	-	0.47	0.79	
<b>Other comprehensive income / (loss)</b>	<b>3.86</b>	<b>2.27</b>	<b>(3.66)</b>	<b>3.01</b>	<b>(16.60)</b>	<b>(3.71)</b>	<b>12.74</b>	<b>10.06</b>	<b>11.03</b>	<b>6.23</b>	<b>6.23</b>	<b>-</b>	<b>-</b>	<b>0.47</b>	<b>0.79</b>	
Other comprehensive income/ (loss) attributable to the equity holders of the Company	1.97	1.16	(2.31)	1.90	(10.46)	(2.34)	8.03	6.34	6.95	4.24	4.24	-	-	0.27	0.45	
Other comprehensive income / (Loss) attributable to the non controlling interest	1.89	1.11	(1.35)	1.11	(6.14)	(1.37)	4.71	3.72	4.08	0.07	1.99	-	-	0.20	0.34	
<b>Other comprehensive income / (loss)</b>	<b>3.86</b>	<b>2.27</b>	<b>(3.66)</b>	<b>3.01</b>	<b>(16.60)</b>	<b>(3.71)</b>	<b>12.74</b>	<b>10.06</b>	<b>11.03</b>	<b>6.23</b>	<b>6.23</b>	<b>-</b>	<b>-</b>	<b>0.47</b>	<b>0.79</b>	
Total other comprehensive income/ (loss) attributable to the equity holders of the Company	63.31	270.17	707.55	1,152.05	1,654.28	217.44	467.88	399.36	895.73	451.12	589.16	15.64	17.16	199.58	(10.64)	
Total Other Comprehensive income/ (loss)	60.82	259.57	415.55	676.60	971.56	127.82	274.79	234.54	526.07	212.29	277.25	15.02	16.48	147.51	(7.87)	
Net cash inflow / (outflow) from operating activities	569.03	(348.93)	3,639.09	1,057.83	4,058.87	1,624.53	437.91	578.17	1,580.03	1,376.92	1,595.55	66.56	54.31	1,207.11	204.67	
Net cash inflow / (outflow) from investing activities	(18.09)	(49.99)	(4,022.71)	(278.76)	(5,106.84)	(540.97)	(186.69)	(1,087.95)	(604.22)	(1,682.37)	(1,478.28)	-	(1.93)	(67.82)	(87.19)	
Net cash inflow / (outflow) from financing activities	(758.46)	403.76	(4.47)	-	(67.98)	51.35	(264.33)	(700.00)	(842.35)	102.95	(117.52)	(38.02)	(47.00)	(1,065.73)	(117.37)	
<b>Net Cash inflow / (outflow)</b>	<b>(207.52)</b>	<b>4.84</b>	<b>(388.09)</b>	<b>779.07</b>	<b>(1,118.95)</b>	<b>1,134.91</b>	<b>152.24</b>	<b>(207.92)</b>	<b>(69.65)</b>	<b>(0.11)</b>	<b>(0.25)</b>	<b>28.54</b>	<b>5.38</b>	<b>73.56</b>	<b>0.11</b>	

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for the year ended March 31, 2023

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c) The table shows summarized financial information of subsidiary of the Group that have material non-controlling interests before intragroup eliminations.

Particulars (Balance sheet)	Mankind Specialities		Packtime Innovations Private Limited		Vetbesta Labs		Mediforce Research Private Limited		Pharmaforce Excipients Private Limited		Qualitek Starch Private Limited		Lifestar Pharmaceuticals Private Limited		Upakarma Ayurveda Private Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Current Assets	306.29	393.98	10,928.00	7,710.91	1,114.06	776.12	283.73	258.81	140.20	200.39	190.48	106.91	163.69	153.30	622.73	
Non Current Assets	414.97	442.95	11,978.58	13,075.61	699.23	739.57	1,122.62	944.34	729.53	710.22	2,150.72	1,347.83	2,674.23	997.00	30.05	
Current Liabilities	280.72	295.91	12,463.35	8,312.51	737.25	407.98	1,144.92	942.40	63.50	40.44	31.15	8.60	160.07	5.31	271.50	
Non Current Liabilities	16.36	15.55	11,107.99	11,377.98	87.81	79.89	7.03	2.49	0.79	-	-	-	1.30	0.12	1,102.52	
Equity Interest Attributable to the equity holders of the Company	424.18	525.47	(664.76)	1,096.03	988.23	1,027.82	254.40	258.25	805.44	870.17	2,310.05	1,446.14	2,676.55	1,144.90	(721.24)	

Particulars (Profit or loss)	Mankind Specialities		Packtime Innovations Private Limited		Vetbesta Labs		Mediforce Healthcare Private Limited		Pharmaforce Excipients Private Limited		Qualitek Starch Private Limited		Lifestar Pharmaceuticals Private Limited		Upakarma Ayurveda Private Limited	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	296.85	391.88	19,304.05	12,199.06	3,498.48	3,337.03	499.32	384.03	101.33	3.90	-	-	-	-	434.14	
Other Income	8.05	5.04	90.05	21.89	4.17	3.47	0.54	0.65	-	-	0.03	0.69	1.57	-	1.44	
Expenses	(405.50)	(519.99)	(21,162.81)	(14,830.88)	(3,080.02)	(3,042.94)	(505.68)	(328.55)	(177.10)	(12.74)	(62.93)	(19.54)	(74.59)	(11.11)	(612.84)	
Tax expense	(0.21)	(0.08)	2.00	2.65	(147.75)	(105.92)	1.97	(11.78)	11.05	0.54	6.81	1.27	(1.18)	(0.12)	(0.13)	
<b>Profit / (Loss) for the year</b>	<b>(100.81)</b>	<b>(123.15)</b>	<b>(1,766.71)</b>	<b>(2,607.28)</b>	<b>274.88</b>	<b>191.64</b>	<b>(3.85)</b>	<b>44.35</b>	<b>(64.72)</b>	<b>(8.30)</b>	<b>(56.09)</b>	<b>(17.58)</b>	<b>(74.20)</b>	<b>(11.23)</b>	<b>(177.39)</b>	
Profit / (loss) attributable to the equity holders of the Company	(98.79)	(120.69)	(1,590.04)	(2,346.55)	166.25	115.90	(2.38)	27.38	(40.77)	(5.23)	(33.87)	(10.33)	(63.07)	(9.55)	(159.65)	
Profit / (loss) attributable to the non controlling interest	(2.02)	(2.46)	(176.67)	(260.73)	108.63	75.74	(1.47)	16.97	(23.95)	(3.07)	(22.22)	(7.25)	(11.13)	(1.68)	(17.74)	
<b>Profit / (loss) for the year</b>	<b>(100.81)</b>	<b>(123.15)</b>	<b>(1,766.71)</b>	<b>(2,607.28)</b>	<b>274.88</b>	<b>191.64</b>	<b>(3.85)</b>	<b>44.35</b>	<b>(64.72)</b>	<b>(8.30)</b>	<b>(56.09)</b>	<b>(17.58)</b>	<b>(74.20)</b>	<b>(11.23)</b>	<b>(177.39)</b>	
Items that will not be reclassified to profit and loss	(0.48)	(0.18)	5.93	7.87	(2.47)	2.59	-	-	-	-	-	-	-	-	-	
<b>Other comprehensive income / (loss)</b>	<b>(0.48)</b>	<b>(0.18)</b>	<b>5.93</b>	<b>7.87</b>	<b>(2.47)</b>	<b>2.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Other comprehensive income / (loss) attributable to the equity holders of the Company	(0.47)	(0.18)	5.34	7.08	(1.49)	1.57	-	-	-	-	-	-	-	-	-	

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All amounts are in INR lacs unless otherwise stated

Particulars (Profit or loss)	Mankind Specialities		Packtime Innovations Private Limited		Vetbesta Labs		Mediforce Healthcare Private Limited		Pharmaforce Excipients Private Limited		Qualitek Starch Private Limited		Lifestar Pharmaceuticals Private Limited		Upakarma Ayurveda Private Limited	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Other comprehensive income / (Loss) attributable to the non controlling interest	(0.01)	(0.00)	0.59	0.79	(0.98)	1.02	-	-	-	-	-	-	-	-	-	
<b>Other comprehensive income / (loss)</b>	<b>(0.48)</b>	<b>(0.18)</b>	<b>5.93</b>	<b>7.87</b>	<b>(2.47)</b>	<b>2.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Total other comprehensive income / (loss) attributable to the equity holders of the Company	(99.26)	(120.86)	(1,584.70)	(2,339.47)	164.76	117.47	(2.38)	27.38	(40.77)	(5.23)	(33.87)	(10.33)	(63.07)	(9.55)	(159.65)	
Total Other Comprehensive income / (loss) attributable to the non controlling interest	(2.03)	(2.47)	(176.08)	(259.94)	107.66	76.76	(1.47)	16.97	(23.95)	(3.07)	(22.22)	(7.25)	(11.13)	(1.68)	(17.74)	
<b>Total Other Comprehensive income / (loss)</b>	<b>(101.29)</b>	<b>(123.33)</b>	<b>(1,760.78)</b>	<b>(2,599.41)</b>	<b>272.41</b>	<b>194.23</b>	<b>(3.85)</b>	<b>44.35</b>	<b>(64.72)</b>	<b>(8.30)</b>	<b>(56.09)</b>	<b>(17.58)</b>	<b>(74.20)</b>	<b>(11.23)</b>	<b>(177.39)</b>	
Net cash inflow / (outflow) from operating activities	(11.39)	(64.91)	(571.62)	(469.79)	388.82	79.46	2.40	124.79	(65.46)	(80.44)	(124.80)	367.56	319.78	(11.20)	(423.00)	
Net cash inflow / (outflow) from investing activities	5.56	0.88	(51.41)	(179.67)	(18.14)	(34.64)	(100.86)	(192.37)	(38.47)	(202.73)	(798.33)	(1,353.47)	(2,020.90)	(952.50)	11.74	
Net cash inflow / (outflow) from financing activities	(0.03)	-	666.53	643.70	(312.00)	(160.01)	91.54	54.41	(0.10)	424.68	920.00	990.00	1,605.85	758.50	637.07	
<b>Net Cash inflow / (outflow)</b>	<b>(5.86)</b>	<b>(64.03)</b>	<b>43.50</b>	<b>(5.76)</b>	<b>58.68</b>	<b>(115.19)</b>	<b>(6.91)</b>	<b>(13.17)</b>	<b>(104.03)</b>	<b>141.51</b>	<b>(3.13)</b>	<b>4.09</b>	<b>(95.27)</b>	<b>(205.20)</b>	<b>225.81</b>	

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### d) Joint Ventures and Associates

Set out below are the associates and joint ventures of the group as at March 31, 2023 and March 31, 2022 which, in the opinion of the management are not material to the Group. Percentage of ownership interest as exercised by the Group is as follows:-

Joint venture	Principal activities	Country of Incorporation	Ownership interest	
			As at March 31, 2023	As at March 31, 2022
Superba Buildwell (partnership firm)	Leasing business	India	60.00%	60.00%
Superba Developers (partnership firm)	Leasing business	India	70.00%	70.00%
Superba Buildwell (South) (partnership firm)	Leasing business	India	70.00%	70.00%

The Group has entered into Joint venture agreement with above entities and based on terms of arrangement, both parties are responsible to act jointly and are accordingly accounted as Joint ventures in accordance with Ind AS 111, Joint Arrangements.

Associate	Principal activities	Country of Incorporation	Ownership interest	
			As at March 31, 2023	As at March 31, 2022
ANM Pharma Private Limited	Manufacturing of bulk drugs	India	34.00%	34.00%
Sirmour Remedies Private Limited	Trading of pharmaceutical and health care products	India	40.00%	40.00%
A.S.Packers (partnership firm)*	Manufacturing of packing materials	India	50.00%	50.00%
J.K. Print packs (partnership firm)	Manufacturing of packing materials	India	33.00%	33.00%
N.S.Industries (partnership firm)	Manufacturing of packing materials	India	48.00%	48.00%

\* In respect of A.S.Packers, partnership firm, the other partner is solely responsible for operational management of firm and accordingly classified as "Associate" in accordance with Ind AS 27, Consolidated and Separate Financial Statements.

### e) Non-controlling interests

Set out below are the details of Non-controlling interest as at March 31, 2023 and March 31, 2022:

Particulars	As at March 31, 2023	As at March 31, 2022
Medipack Innovations Private Limited	1,478.85	1,384.29
Packtime Innovations Private Limited	(1,008.52)	(833.20)
Mankind Specialities (partnership firm)	(5.11)	(3.06)

## Notes to the consolidated financial statements

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Particulars	As at March 31, 2023	As at March 31, 2022
Relax Pharmaceuticals Private Limited	3,531.59	2,923.82
Copmed Pharmaceuticals Private Limited	6,343.16	5,183.82
Vetbesta Labs (partnership firm)	134.50	42.25
Mediforce Healthcare Private Limited	1,925.16	1,724.42
Penta Latex LLP	1,521.88	1,249.62
Pharma Force Lab (partnership firm)	3,469.32	3,292.54
Mediforce Research Private Limited	(27.53)	(26.06)
Pharmaforce Excipients Private Limited	292.92	316.86
Qualitek Starch Private Limited	5.48	28.00
Superba Warehousing LLP (partnership firm)	678.76	682.36
North East Pharma Pack (partnership firm)	131.79	(13.59)
Lifestar Pharmaceuticals Private Limited	340.02	155.92
Upakarma Ayurveda Private Limited	(5.26)	-
<b>Total Non Controlling interest</b>	<b>18,807.01</b>	<b>16,107.99</b>



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 52 Additional information to the consolidated Financial Statements, as required under Schedule III of the Companies Act, 2013 of entities consolidated as subsidiaries/associates/ joint ventures

Following is the share of net assets and the profit or loss of the entities which have been consolidated for preparation of the consolidated financial statements of Mankind Pharma Limited for the financial year ended March 31, 2023:

Name of the entity	Net assets (Total assets minus Total liabilities)		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
<b>Mankind Pharma Limited*</b>	7,78,391.10	104.69%	1,24,825.80	97.38%	(485.89)	252.08%	1,24,339.91	97.15%
<b>Indian subsidiaries</b>								
Shree Jee Laboratory Private Limited	17,517.65	2.36%	3,915.21	3.05%	(2.18)	1.13%	3,913.03	3.06%
Medipack Innovations Private Limited	3,041.68	0.41%	120.27	0.09%	3.86	(2.00%)	124.13	0.10%
Broadway Hospitality Services Private Limited	356.61	0.05%	76.58	0.06%	0.26	(0.13%)	76.84	0.06%
Pavi Buildwell Private Limited	409.84	0.06%	2,980.23	2.32%	-	-	2,980.23	2.33%
Prolijune Lifesciences Private Limited	1,628.19	0.22%	127.69	0.10%	-	-	127.69	0.10%
Penta Latex LLP	6,527.14	0.88%	663.20	0.52%	0.21	(0.11%)	663.41	0.52%
Pharma Force Labs	9,630.55	1.30%	623.84	0.49%	10.06	(5.22%)	633.90	0.50%
Jaspack Industries Private Limited	12,703.77	1.71%	(189.70)	(0.15%)	-	-	(189.70)	(0.15%)
Packtime Innovations Private Limited	(664.76)	(0.09%)	(1,766.72)	(1.38%)	5.93	(3.08%)	(1,760.79)	(1.38%)
Mahananda Spa and Resorts Private Limited	40,034.91	5.38%	(680.19)	(0.53%)	(2.81)	1.46%	(683.00)	(0.53%)
Mankind Specialities	424.18	0.06%	(100.81)	(0.08%)	(0.48)	0.25%	(101.29)	(0.08%)
Mankind Prime Labs Private Limited	6,607.88	0.89%	(649.59)	(0.51%)	2.47	(1.28%)	(647.12)	(0.51%)
Appian Properties Private Limited	24,371.15	3.28%	599.08	0.47%	-	-	599.08	0.47%
JPR Labs Private Limited	6,806.09	0.92%	(1,875.64)	(1.46%)	(0.66)	0.34%	(1,876.30)	(1.47%)
Relax Pharmaceuticals Private Limited	9,911.88	1.33%	1,126.76	0.88%	(3.66)	1.90%	1,123.10	0.88%
Copmed Pharmaceuticals Private Limited	18,236.02	2.45%	2,638.75	2.06%	0.99	(0.51%)	2,639.74	2.06%
Mediforce Healthcare Private Limited	5,433.74	0.73%	348.97	0.27%	(3.71)	1.92%	345.26	0.27%
Mankind Life Sciences Private Limited	10,145.50	1.36%	(1,380.61)	(1.08%)	(2.41)	1.25%	(1,383.02)	(1.08%)
Vetbesta Labs	988.23	0.13%	274.88	0.21%	(2.47)	1.28%	272.41	0.21%
Superba Warehousing LLP	1,385.76	0.19%	30.66	0.02%	-	-	30.66	0.02%
North East Pharma Pack	757.86	0.10%	346.62	0.27%	0.47	(0.24%)	347.09	0.27%

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Name of the entity	Net assets (Total assets minus Total liabilities)		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
Mediforce Research Private Limited	254.40	0.03%	(3.85)	0.00%	-	-	(3.85)	(0.00%)
Qualitek Starch Private Limited	2,310.05	0.31%	(56.09)	(0.04%)	-	-	(56.09)	(0.04%)
Pharmaforce Excipients Private Limited	805.45	0.11%	(64.72)	(0.05%)	-	-	(64.72)	(0.05%)
Appify infotech LLP	303.80	0.04%	(2.40)	0.00%	-	-	(2.40)	(0.00%)
Mankind Consumer Healthcare Private Limited	1,755.97	0.24%	(154.81)	(0.12%)	-	-	(154.81)	(0.12%)
Mankind Agritech private limited	1,251.77	0.17%	(1,835.62)	(1.43%)	(5.00)	2.59%	(1,840.62)	(1.44%)
Upakarma Ayurveda Private Limited	(721.24)	(0.10%)	(177.39)	(0.14%)	-	-	(177.39)	(0.14%)
<b>Foreign subsidiaries</b>								
Lifestar Pharma LLC	56.18	0.01%	(4,353.25)	(3.40%)	(97.26)	50.46%	(4,450.51)	(3.48%)
Mankind Pharma Pte Limited	87.89	0.01%	53.44	0.04%	(8.75)	4.54%	44.69	0.03%
Lifestar Pharmaceuticals Private Limited	2,676.55	0.36%	(74.20)	(0.06%)	-	-	(74.20)	(0.06%)
Mankind Pharma FZ LLC	4,961.04	0.67%	(413.92)	(0.32%)	397.81	(206.39%)	(16.11)	(0.01%)
<b>Non controlling interests in all subsidiaries</b>	(18,807.01)	(2.53%)	(2,781.67)	(2.17%)	(4.00)	2.08%	(2,785.67)	(2.18%)
<b>Indian joint ventures (as per equity method)</b>								
Superba Buildwell	-	-	165.18	0.13%	-	-	165.18	0.13%
Superba Developers	-	-	96.46	0.08%	-	-	96.46	0.08%
Superba Buildwell (South)	-	-	162.59	0.13%	-	-	162.59	0.13%
<b>Indian associates (as per equity method)</b>								
ANM Pharma Private Limited	-	-	36.22	0.03%	-	-	36.22	0.03%
Sirmour Remedies Private Limited	-	-	169.98	0.13%	2.37	(1.23%)	172.35	0.13%
A.S.Packers	-	-	229.97	0.18%	0.33	(0.17%)	230.30	0.18%
J.K. Printpacks	-	-	64.79	0.05%	4.27	(2.22%)	69.06	0.05%
N.S.Industries	-	-	261.54	0.20%	(0.12)	0.06%	261.42	0.20%
Inter-company elimination and consolidation adjustments	(2,06,057.54)	(27.73%)	4,808.38	3.76%	(2.38)	1.24%	4,806.00	3.75%
<b>Total</b>	<b>7,43,522.28</b>	<b>100.00%</b>	<b>1,28,185.91</b>	<b>100.00%</b>	<b>(192.75)</b>	<b>100.00%</b>	<b>1,27,993.16</b>	<b>100.00%</b>

\*Lifestar Pharma Private Limited and Magnet Labs Private Limited has been merged with Mankind Pharma Limited vide NCLT order dated March 02, 2023 and supplement order dated March 21, 2023.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Following is the share of net assets and the profit or loss of the entities which have been consolidated for preparation of the consolidated financial statements of Mankind Pharma Limited for the financial year ended March 31, 2022:

Name of the entity	Net assets (Total assets minus liabilities)		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
<b>Mankind Pharma Limited*</b>	6,54,045.28	106.26%	1,38,942.44	96.93%	(79.39)	(122.42%)	1,38,863.05	96.83%
<b>Indian subsidiaries</b>								
Shree Jee Laboratory Private Limited	13,604.62	2.21%	7,902.66	5.51%	(3.23)	(4.98%)	7,899.43	5.51%
Medipack Innovations Private Limited	2,917.55	0.47%	527.47	0.37%	2.27	3.50%	529.74	0.37%
Broadway Hospitality Services Private Limited	279.77	0.05%	(18.86)	(0.01%)	-	-	(18.86)	(0.01%)
Pavi Buildwell Private Limited	(2,570.39)	(0.42%)	337.70	0.24%	-	-	337.70	0.24%
Prolijune Lifesciences Private Limited	1,500.50	0.24%	112.85	0.08%	-	-	112.85	0.08%
Penta Latex LLP	5,083.77	0.83%	860.18	0.60%	6.23	9.61%	866.41	0.60%
Pharma Force Labs	9,696.65	1.58%	1,410.77	0.98%	11.03	17.01%	1,421.80	0.99%
Jaspack Industries Private Limited	12,893.47	2.09%	(133.47)	(0.09%)	-	-	(133.47)	(0.09%)
Packtime Innovations Private Limited	1,096.03	0.18%	(2,607.28)	(1.82%)	7.87	12.14%	(2,599.41)	(1.81%)
Mahananda Spa and Resorts Private Limited	30,699.03	4.99%	52.28	0.04%	-	-	52.28	0.04%
Mankind Specialities	525.47	0.09%	(123.15)	(0.09%)	(0.18)	(0.28%)	(123.33)	(0.09%)
Mankind Prime Labs Private Limited	4,390.38	0.71%	937.12	0.65%	(5.37)	(8.28%)	931.75	0.65%
Appian Properties Private Limited	23,772.07	3.86%	1,505.70	1.05%	-	-	1,505.70	1.05%
JPR Labs Private Limited	2,682.39	0.44%	(2,354.49)	(1.64%)	(1.86)	(2.87%)	(2,356.35)	(1.64%)
Relax Pharmaceuticals Private Limited	8,788.78	1.43%	1,825.64	1.27%	3.01	4.64%	1,828.65	1.28%
Copmed Pharmaceuticals Private Limited	15,596.28	2.53%	2,642.44	1.84%	(16.60)	(25.60%)	2,625.84	1.83%
Mediforce Healthcare Private Limited	5,088.48	0.83%	729.93	0.51%	12.74	19.65%	742.67	0.52%
Mankind Life Sciences Private Limited	4,208.88	0.68%	(317.69)	(0.22%)	(0.64)	(0.99%)	(318.33)	(0.22%)
Vestesta Labs	1,027.82	0.17%	191.64	0.13%	2.59	3.99%	194.23	0.14%
Superba Warehousing LLP	1,393.12	0.23%	33.64	0.02%	-	-	33.64	0.02%
North East Pharma Pack	410.77	0.07%	(19.30)	(0.01%)	0.79	1.22%	(18.51)	(0.01%)
Mediforce Research Private Limited	258.25	0.04%	44.35	0.03%	-	-	44.35	0.03%
Qualitek Starch Private Limited	1,446.14	0.23%	(17.58)	(0.01%)	-	-	(17.58)	(0.01%)
Pharmaforce Excipients Private Limited	870.17	0.14%	(8.30)	(0.01%)	-	-	(8.30)	(0.01%)
Appify infotech LLP	306.20	0.05%	12.42	0.01%	-	-	12.42	0.01%

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

Name of the entity	Net assets (Total assets minus liabilities)		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
Mankind Consumer Healthcare Private Limited	758.55	0.12%	(5.16)	(0.00%)	-	-	(5.16)	0.00%
<b>Foreign subsidiaries</b>								
Lifestar Pharma LLC	(388.11)	(0.06%)	(7,001.81)	(4.88%)	88.56	136.56%	(6,913.25)	(4.82%)
Mankind Pharma Pte Limited	33.61	0.01%	46.82	0.03%	(2.06)	(3.18%)	44.76	0.03%
Lifestar Pharmaceuticals Private Limited	1,144.90	0.19%	(11.23)	(0.01%)	-	-	(11.23)	(0.01%)
Mankind Pharma FZ LLC	4,977.15	0.81%	(108.96)	(0.08%)	68.32	105.35%	(40.64)	(0.03%)
<b>Non controlling interests in all subsidiaries</b>	(16,107.99)	(2.62%)	(1,948.12)	(1.36%)	(29.75)	(45.88%)	(1,977.87)	(1.38%)
<b>Indian joint ventures (as per equity method)</b>								
Superba Buildwell	-	-	149.18	0.10%	-	-	149.18	0.10%
Superba Developers	-	-	77.96	0.05%	-	-	77.96	0.05%
Superba Buildwell (South)	-	-	148.55	0.10%	-	-	148.55	0.10%
<b>Indian associates (as per equity method)</b>								
ANM Pharma Private Limited	-	-	77.46	0.05%	-	-	77.46	0.05%
Om Sai Pharma Pack	-	-	143.24	0.10%	-	0.00%	143.24	0.10%
Sirmour Remedies Private Limited	-	-	218.33	0.15%	(0.84)	(1.30%)	217.49	0.15%
A.S.Packers	-	-	239.41	0.17%	0.12	0.19%	239.53	0.17%
J.K. Printpacks	-	-	91.89	0.06%	2.23	3.44%	94.12	0.07%
N.S.Industries	-	-	298.75	0.21%	(1.80)	(2.78%)	296.95	0.21%
Inter-company elimination and consolidation adjustments	(1,74,906.39)	(28.42%)	(1,537.83)	(1.07%)	0.81	1.25%	(1,537.02)	(1.07%)
<b>Total</b>	<b>6,15,523.21</b>	<b>100.00%</b>	<b>1,43,347.59</b>	<b>100.00%</b>	<b>64.85</b>	<b>100.00%</b>	<b>1,43,412.44</b>	<b>100.00%</b>

\*Lifestar Pharma Private Limited and Magnet Labs Private Limited has been merged with Mankind Pharma Limited vide NCLT order dated March 02, 2023 and supplement order dated March 21, 2023.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

### 53 Business combinations

#### Acquisitions during the year ended March 31, 2023

##### Acquisition of Upakarma Ayurveda Private Limited

On November 09, 2022, the Group acquired 90% of the voting shares of Upakarma Ayurveda Private Limited, entity based in India and is engaged in trading of Ayurveda and health care products.

##### Assets acquired and liabilities assumed

- a) The fair values of the identifiable assets and liabilities of Upakarma Ayurveda Private Limited as at the date of acquisition were:

Particulars	Upakarma Ayurveda Private Limited
<b>Assets</b>	
Property, plant and equipment	14.14
Intangible assets	613.78
Deferred tax assets	5.81
Income tax assets	9.71
Inventories	80.33
Trade receivables	85.76
Cash & cash equivalents	18.01
Other financial assets	5.90
Other current assets	127.00
	<b>960.44</b>
<b>Liabilities</b>	
Trade payables	268.75
Provisions	11.74
Borrowings	606.63
Other current liabilities	9.47
	<b>896.59</b>
<b>Total identifiable net assets at fair value</b>	<b>63.85</b>
<b>Calculation of goodwill</b>	
Purchase consideration transferred	400.74
Non- Controlling interest in the acquired entity	6.38
Total identifiable net assets at fair value	(63.85)
<b>Goodwill</b>	<b>343.27</b>
b) <b>Fair Value of consideration paid</b>	
Cash & cash equivalents	400.74
c) <b>Purchase consideration – cash flow</b>	
Outflow of cash to acquire subsidiaries, net of cash acquired	
Cash consideration	400.74
Less: Balances acquired	
Cash	(18.01)
<b>Net outflow of cash – investing activities</b>	<b>382.73</b>
d) <b>Revenue and profit/ (loss) contribution</b>	
The acquired business contributed revenues and profits to the group for the period from November 1, 2022 to March 31, 2023 as follows:	
Revenue	434.14
Profit / (loss) after tax	(177.41)
If the acquisitions had occurred on April 01, 2022, consolidated pro-forma revenue and profit/(loss) for the year ended March 31, 2023. These amounts have been calculated using the subsidiary's results and adjusting them for:	
Revenue	804.81
Profit / (loss) after tax	(192.63)

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

#### Acquisitions during the year ended March 31, 2022

##### Acquisition of Mankind Life Sciences Private Limited

On September 06, 2021, the Group acquired 100% of the voting shares of Mankind Life Sciences Private Limited, entity based in India and is engaged in trading of pharmaceutical and consumer healthcare products.

##### Acquisition of Appify Infotech LLP

On October 01, 2021, the Group acquired 100% share in Appify Infotech LLP, entity based in India and is engaged in providing IT enabled services. The Group acquired Appify Infotech LLP because it significantly enlarges the groups capabilities with respect to its IT infrastructure specifically in relation to development of certain propriety applications for tapping into the group's endeavour to increase its footprint in the growing healthcare online market place.

##### Assets acquired and liabilities assumed

- a) The fair values of the identifiable assets and liabilities of Mankind Life Sciences Private Limited and Appify Infotech LLP as at the date of acquisition were:

Particulars	Appify Infotech LLP	Mankind Life Sciences Private Limited
<b>Assets</b>		
Cash & cash equivalents	27.16	3.85
Other current assets	58.00	-
	<b>85.16</b>	<b>3.85</b>
<b>Liabilities</b>		
Trade payables	54.51	0.15
Other current liabilities	4.78	2.70
	<b>59.29</b>	<b>2.85</b>
<b>Total identifiable net assets at fair value</b>	<b>25.87</b>	<b>1.00</b>
Goodwill/ Capital reserve arising on acquisition	-	-
<b>Purchase consideration transferred</b>	<b>25.87</b>	<b>1.00</b>
b) <b>Fair Value of consideration paid</b>		
Cash & cash equivalents	25.87	1.00
c) <b>Purchase consideration- cash flow</b>		
Outflow of cash to acquire subsidiaries, net of cash acquired		
Cash consideration	25.87	1.00
Less: Balances acquired		
Cash	27.16	3.85
<b>Net inflow of cash- investing activities</b>	<b>1.29</b>	<b>2.85</b>
d) <b>Revenue and profit/ (loss) contribution</b>		
The acquired business contributed revenues and profits to the group for the year March 31, 2022 as follows:		
Revenue	-	276.06
Profit / (loss)	(1.94)	(318.33)
e) If the acquisitions had occurred on April 01, 2021, consolidated pro-forma revenue and profit/(loss) for the year ended March 31, 2022. These amounts have been calculated using the subsidiary's results and adjusting them for:		
Revenue	-	276.06
Profit / (loss)	(3.01)	(318.63)



## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- 54 During the year, the Group has capitalised following preoperative directly relatable to the cost of property, plant and equipment being expenses related to projects and developments, trial run. Consequently, expenses disclosed under the respective heads are net of amounts capitalised by the Group.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cost of materials consumed	59.14	61.85
Employee benefits expense	313.17	35.54
Other expenses	175.88	107.33
	<b>548.19</b>	<b>204.72</b>

- 55 The Holding Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income- tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Holding Company is in the process of updating the documentation for the transactions covered under transfer pricing regulations entered into with the associated enterprises during the period and expects such records to be in existence latest by such date as required under the law. The management of the Holding Company is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

- 56 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it come into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

### 57 Other Information

- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group has not advanced or loaned or invested funds to any other person or 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 or on behalf of the group (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- The Group has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- The Group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

### 58 Transactions with struck-off Companies:

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2023:

Name of struck off Company	Name of group entity who has transacted	Nature of transactions with struck off Company	Amount of transactions (INR in lacs)	Balance outstanding (INR in lacs)	Relationship with the struck off company
Shrinath Products A Div. of Elmer Products Private Limited	Mankind Pharma Limited	Packing Material-Purchase	5.34	-	Not applicable

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2022:

Name of struck off Company	Name of group entity who has transacted	Nature of transactions with struck off Company	Amount of transactions (INR in lacs)	Balance outstanding (INR in lacs)	Relationship with the struck off company
Shrinath Products A Div. of Elmer Products Private Limited	Mankind Pharma Limited	Packing Material-Purchase	6.23	0.85	Not applicable

- 59 The figures have been rounded off to the nearest lacs of rupees up to two decimal places. The figure 0.00 wherever stated represents value less than INR 500/-.

- 60 The Holding Company in the month of May 2021, filed a scheme of merger with National Company Law Tribunal (NCLT) for merging two of its wholly owned subsidiaries Lifestar Pharma Private Limited and Magnet Labs Private Limited with the Holding Company. NCLT approval for the said merger was received by the Holding Company vide order dated March 02, 2023. Pursuant to this, the Holding Company has accounted the said scheme in accordance with Appendix C of Ind AS 103 "Business Combinations" and accordingly comparative period presented have been restated to give effect of the scheme.

## Notes to the consolidated financial statements

for the year ended March 31, 2023

All amounts are in INR lacs unless otherwise stated

- 61** Subsequent to the year ended March 31, 2023, the Holding Company has completed its Initial Public Offer (IPO) of 4,00,58,844 equity shares of face value of INR 1 each at and issue price of INR 1,080 per share. The issue comprised of 100% offer for sale aggregating to INR 4,32,635.52 lacs. Pursuant to the IPO, the equity shares of the Holding Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 9, 2023.
- 62** Subsequent to the year end in the month of May 2023, the Income Tax Department ('the department') conducted a search under section 132 of the Income Tax Act, 1961 at Holding Company's registered office, corporate office, few of its manufacturing locations and other premises and few of its group entities and residence of few of its employees/ key managerial personnel. During the search proceedings, the Holding Company and relevant group entities and employees/KMPs has provided necessary information and responses to the department. Also, the department has taken certain documents, data backups and other information for further investigation. The business and operations of the Group continued without any disruptions and no demands have been raised on the Group as of date. Based on the foregoing and having regard to the matters of inquiry during the search proceedings stated above, management is of the view that no material adjustments are required to these consolidated financial results in this regard.
- 63** Note 1 to 62 form integral part of the consolidated balance sheet and consolidated statement of profit and loss.

As per our report of even date

**For S.R. Battiboi & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 301003E/E300005

**For and on behalf of the Board of Directors of Mankind Pharma Limited**

**per Vishal Sharma**  
Partner  
Membership No. 096766

**Ramesh Juneja**  
Chairman and  
Whole Time Director  
DIN - 00283399

**Sheetal Arora**  
Chief Executive Officer and  
Whole Time Director  
DIN - 00704292

**For Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
Firm Reg. No. 007895N

Place: New Delhi  
Date: May 30, 2023

Place: New Delhi  
Date: May 30, 2023

**per Mohit Gupta**  
Partner  
Membership No. 528337  
Place: New Delhi  
Date: May 30, 2023

**Pradeep Chugh**  
Company Secretary  
Membership No. ACS 18711  
Place: New Delhi  
Date: May 30, 2023

**Ashutosh Dhawan**  
Chief Financial Officer  
Place: New Delhi  
Date: May 30, 2023

## Form AOC-I

(Pursuant to first proviso to sub-section 3 of section 129 read with rule 5 of the Companies (Account) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures for the year ended March 31, 2023

### Part A: Subsidiaries

(All amounts are in INR lacs unless otherwise stated)

Sl. No.	Name of subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant F.Y. in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after dividend taxation	% of shareholding
1	Appian Properties Private Limited	09-Aug-17	No	INR	1,000.00	23,371.15	24,673.98	302.83	2,883.22	-	627.38	28.30	599.08	100.00%
2	Appify Infotech LLP	01-Oct-21	No	INR	303.80	-	303.93	0.13	-	-	(2.40)	-	(2.40)	100.00%
3	Broadway Hospitality Services Private Limited	29-Nov-10	No	INR	5.00	351.61	3,877.34	3,520.73	-	970.46	102.49	25.91	76.58	100.00%
4	Copmed Pharmaceuticals Private Limited	01-Oct-17	No	INR	96.00	18,140.02	27,385.47	9,149.45	0.25	34,820.93	3,489.27	850.52	2,638.75	63.00%
5	Jaspak Industries Private Limited	24-Oct-15	No	INR	901.00	11,802.77	16,508.13	3,804.36	-	180.00	(118.61)	71.09	(189.70)	100.00%
6	JPR Labs Private Limited	30-Dec-17	No	INR	2,969.28	3,836.81	10,582.56	3,776.47	-	5,782.34	(1,961.16)	(85.52)	(1,875.64)	100.00%
7	Lifestar Pharma LLC	08-Dec-15	No	USD = INR 75.91	18,445.27	(18,389.09)	13,509.01	13,452.83	-	16,864.97	(4,986.64)	(633.39)	(4,353.25)	90.00%
8	Lifestar Pharmaceuticals Private Limited	28-Jan-20	No	NPR = INR 1.60	2,363.97	312.58	2,837.92	161.37	-	-	(73.02)	1.18	(74.20)	85.00%
9	Mahananda Spa and Resorts Private Limited	27-Jul-15	No	INR	40,649.21	(614.30)	41,965.33	1,930.42	-	944.07	(907.49)	(227.30)	(680.19)	100.00%
10	Mankind Consumer Healthcare Private Limited	20-Oct-21	No	INR	900.00	855.97	2,219.96	463.99	-	235.49	(154.91)	(0.10)	(154.81)	100.00%
11	Mankind Pharma FZ LLC	15-Sep-21	No	AED = INR 22.38	5,017.79	(61.80)	5,481.24	525.25	-	711.35	(412.88)	-	(412.88)	100.00%

# Form AOC-I

(Pursuant to first proviso to sub-section 3 of section 129 read with rule 5 of the Companies (Account) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures for the year ended March 31, 2023

## Part A: Subsidiaries (Contd..)

(All amounts are in INR lacs unless otherwise stated)

Sl. No.	Name of subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant F.Y. in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of shareholding
12	Mankind Life Sciences Private Limited	06-Sep-21	No	INR	851.00	9,294.50	13,200.96	3,055.46	-	4,901.36	(1,425.18)	(44.57)	(1,380.61)	-	100.00%
13	Mankind Pharma Pte Ltd.	12-Nov-15	No	SGD = INR 61.75	19.78	68.11	541.44	453.55	-	1,036.56	58.13	4.69	53.44	-	100.00%
14	Mankind Prime Labs Private Limited	24-Nov-20	No	INR	0.10	6,607.78	13,300.11	6,692.23	-	21,883.10	(730.71)	(81.12)	(649.59)	-	100.00%
15	Mankind Specialities (Partnership Firm)	07-Sep-10	No	INR	424.18	-	721.26	297.08	-	296.85	(100.60)	0.21	(100.81)	-	98.00%
16	Mediforce Healthcare Private Limited	01-Oct-17	No	INR	114.00	5,319.74	7,443.77	2,010.03	0.25	8,506.83	485.29	136.32	348.97	-	62.98%
17	Mediforce Research Private Limited	01-Nov-19	No	INR	300.00	(45.60)	1,406.35	1,151.95	-	499.32	(5.82)	(1.97)	(3.85)	-	61.72%
18	Medipack Innovations Private Limited	29-Jun-15	No	INR	600.00	2,441.68	3,522.25	480.57	-	5,233.44	159.36	39.09	120.27	-	51.00%
19	North East Pharma Pack	22-Oct-16	No	INR	757.86	-	4,107.98	3,350.12	-	5,188.50	346.41	(0.21)	346.62	-	57.50%
20	Packtime Innovations Private Limited	09-Jun-15	No	INR	1,000.00	(1,664.75)	22,906.58	23,571.33	-	19,304.05	(1,768.71)	(2.00)	(1,766.71)	-	90.00%
21	Pavi Buildwell Private Limited	11-Feb-13	No	INR	201.00	208.84	4,523.38	4,113.54	-	3,420.53	3,019.63	39.40	2,980.23	-	100.00%
22	Penta Latex LLP	10-Mar-18	No	INR	6,527.14	-	11,974.78	5,447.64	-	13,997.00	1,059.39	396.19	663.20	-	68.00%
23	Pharma Force Labs (Partnership Firm)	01-Apr-18	No	INR	9,630.55	-	15,959.12	6,328.57	0.50	19,848.19	956.68	332.84	623.84	-	63.00%

# Form AOC-I

(Pursuant to first proviso to sub-section 3 of section 129 read with rule 5 of the Companies (Account) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures for the year ended March 31, 2023

## Part A: Subsidiaries (Contd..)

(All amounts are in INR lacs unless otherwise stated)

Sl. No.	Name of subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant F.Y. in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of shareholding
24	Pharmaforce Excipients Private Limited	20-Nov-19	No	INR	900.00	(94.55)	869.74	64.29	-	101.33	(75.77)	(11.05)	(64.72)	-	63.00%
25	Prolijune Lifesciences Private Limited	28-Jul-11	No	INR	10.00	1,618.19	1,671.03	42.84	-	156.51	160.50	32.81	127.69	-	100.00%
26	Qualitek Starch Private Limited	12-Dec-19	No	INR	2,410.00	(99.95)	2,341.20	31.15	-	-	(62.90)	(6.81)	(56.09)	-	60.39%
27	Relax Pharmaceuticals Private Limited	01-Oct-17	No	INR	30.00	9,881.88	14,401.55	4,489.67	1.25	16,378.17	1,527.01	400.25	1,126.76	-	63.00%
28	Shree Jee Laboratory Private Limited	12-Feb-14	No	INR	14,049.87	3,467.78	23,588.84	6,071.19	-	20,305.31	5,266.09	1,350.88	3,915.21	-	100.00%
29	Superba warehousing LLP	10-Nov-16	No	INR	1,385.76	-	1,400.70	14.94	-	82.86	49.20	18.54	30.66	-	51.00%
30	Vetbesta Labs (Partnership Firm)	03-Oct-17	No	INR	988.24	-	1,813.30	825.06	-	3,498.48	422.63	147.75	274.88	-	60.48%
31	Mankind Agritech Private Limited	06-Apr-22	No	INR	400.00	851.77	3,999.52	2,747.75	-	1,206.53	(1,843.81)	(8.19)	(1,835.62)	-	100.00%
32	Upakarma Ayurveda Private Limited	09-Nov-22	No	INR	180.44	(901.68)	652.78	1,374.02	-	1,056.91	(335.20)	(2.77)	(332.43)	-	90.00%



## Part A: Subsidiaries (Contd..)

### 1 Names of subsidiaries which are yet to commence operations-

Lifestar Pharmaceuticals Private Limited  
Qualitek Starch Private Limited

### 2 Names of subsidiaries which have been liquidated or sold during the year -

Nil

For and on behalf of the Board of Directors of  
Mankind Pharma Limited

**Ramesh Juneja**  
Chairman & Whole time Director  
(DIN: 00283399)

**Pradeep Chugh**  
Company Secretary  
Membership No. ACS 18711

Date: May 30, 2023  
Place: New Delhi

**Sheetal Arora**  
Chief Executive Officer and Whole Time Director  
(DIN: 00704292)

**Ashutosh Dhawan**  
Chief Financial Officer

# Form AOC-I

(Pursuant to first proviso to sub-section 3 of section 129 read with rule 5 of the Companies (Account) Rules, 2014)

## Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures for the year ended March 31, 2023

### Part B: Associates and Joint Ventures

(All amounts are in INR lacs unless otherwise stated)

S. No.	Name of Associates/Joint Venture	Latest audited Balance Sheet Date	Shares of Associates/Joint Ventures held by the Company on the year end		Description of how there is significant influence	Reason why the associate /joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance sheet	Profit for the year	
			No. of shares	Investment Amount				Extend of Holding %	Considered in consolidation
1	ANM Pharma Private Limited	31-Mar-23	7.86	78.56	34%	The company is holding more than 20% share capital.	393.76	36.22	70.30
2	Sirmour Remedies Private Limited	31-Mar-23	0.40	1,883.20	40%	The company is holding more than 20% share capital.	1,567.98	172.35	258.54
3	Superba Buildwell (South) (Partnership Firm)	31-Mar-23	Not Applicable	2,624.74	70%	The company is holding more than 20% capital.	2,624.74	162.59	69.68
4	Superba Developers (Partnership Firm)	31-Mar-23	Not Applicable	2,978.04	70%	The company is holding more than 20% capital.	2,790.61	96.46	39.21
5	Superba Buildwell (Partnership Firm)	31-Mar-23	Not Applicable	2,184.74	60%	The company is holding more than 20% capital.	2,012.48	165.18	110.12
6	A.S. Packers (Partnership Firm)	31-Mar-23	Not Applicable	2,919.19	50%	The company is holding more than 20% capital through its subsidiary.	1,788.66	230.30	230.30
7	N.S. Industries (Partnership Firm)	31-Mar-23	Not Applicable	3,463.30	48%	The company is holding more than 20% capital through its subsidiary.	1,724.73	261.42	283.21
8	J.K. Print packs (Partnership Firm)	31-Mar-23	Not Applicable	736.67	33%	The company is holding more than 20% capital through its subsidiary.	695.28	69.06	140.20









## **Mankind Pharma Limited**

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### **Registered Office**

208, Okhla Industrial Estate Phase-III  
New Delhi 110 020, Delhi, India  
Tel: +91 11 4747 6600

### **Corporate Office**

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