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Independent Auditor's Report

To the Members of Jubilant Generics Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Jubilant Generics Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive loss), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Report on the Audit of the Financial Statements of Jubilant Generics Limited for the year ended 31 March 2024 (Cont'd)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;



Independent Auditor's Report on the Audit of the Financial Statements of Jubilant Generics Limited for the year ended 31 March 2024 (Cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

Other Matter

11. The financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor, BSR & Co. LLP, who have expressed an unmodified opinion on those financial statements vide their audit report dated 29 May 2023.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
13. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;



Independent Auditor's Report on the Audit of the Financial Statements of Jubilant Generics Limited for the year ended 31 March 2024 (Cont'd)

- f) With respect to the maintenance of accounts and other matters connected therewith refer to our comments in paragraph 14(b) above on reporting under Section 143(3)(b) of the Act and paragraph 14(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in Note 29 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 40(g) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 40(h) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
 - vi. As stated in Note 41 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software other than the audit trail feature was not enabled at the database level for accounting software to log any direct data changes for the period 01 April 2023 to 30 November 2023, used for maintenance of all accounting and payroll records by the Company. Further, during the course of our audit, we did not come across any

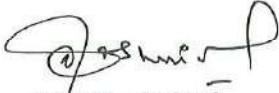


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Independent Auditor's Report on the Audit of the Financial Statements of Jubilant Generics Limited for the year ended 31 March 2024 (Cont'd)

instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

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



Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 24507568BKEJWD7309



Place: New Delhi
Date: 27 May 2024

Annexure B

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

1. In conjunction with our audit of the financial statements of Jubilant Generics Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

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

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)



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Annexure B to the Independent Auditor's Report of even date to the members of Jubilant Generics Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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



Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 24507568BKEJWD7309



Place: New Delhi
Date: 27 May 2024

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Annexure A referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Jubilant Generics Limited on the financial statements for the year ended 31 March 2024

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of other intangible assets.

- (b) The Company has a regular programme of physical verification of its property, plant and equipment, Capital work in progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3(6) to the financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt or dispatch inventory records.
- (b) As disclosed in Note 11(a) to the financial statements, the Company has been sanctioned a working capital limit in excess of INR. 5 crores by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit.
- (iii) The Company has not made investments in, provided any guarantee or security to companies, firms, limited liability partnerships during the year. Further, the Company has granted loans to other parties during the year, in respect of which:
- (a) The Company has provided loans to Others during the year as per details given below:



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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Generics Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

Particulars	Loans (INR Million)
Aggregate amount provided during the year (INR): -Others	18.57
Balance outstanding as at balance sheet date in respect of above cases (INR): -Others	0.85

- (b) In our opinion, and according to the information and explanations given to us, the grant of all loans provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no amount which is overdue for more than 90 days in respect of loans granted to such other parties.
- (e) The Company has granted loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans granted, guarantees and security provided by it.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were



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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Generics Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (INR million)	Amount paid under Protest (INR million)	Period to which the amount relates (F.Y.)	Forum where dispute is pending
Income-tax Act, 1961	Income Tax	2.10	-	2015-16	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income Tax	35.77	-	2018-19	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income Tax	5.07	-	2021-22	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income Tax	56.70	-	2022-23	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income Tax	121.66	-	2017-18	Income Tax Appellate Tribunal, New Delhi
Central Excise Act, 1944	Excise duty	3.59	-	2010-11	High court, Uttarakhand
Central Excise Act, 1944	Excise duty	0.10	-	2011-12	Deputy commissioner (Excise), Dehradun
Central Excise Act 1944	Excise duty	4.14	4.14	2017-18 to 2018-19	Appellate Tribunal, New Delhi
Good and Services Act, 2017	Goods and Service tax	3.71	3.71	2017-18	Assistant Commissioner, CGST, Roorkee

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



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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Generics Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the 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 or associates.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party



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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Generics Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to INR. 982.16 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

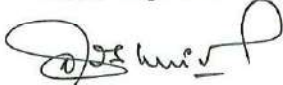


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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Generics Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

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

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



Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 24507568BKEJWD7309



Place: New Delhi
Date: 27 May 2024

Jubilant Generics Limited
Balance Sheet as at 31 March 2024
(INR in million unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,280.97	3,615.03
Capital work-in-progress	3	50.10	43.59
Other intangible assets	4	128.64	192.57
Intangible assets under development	4	2,384.84	2,298.91
Right-of-use assets	35	15.34	52.30
Financial assets			
i. Investments	5(a)	4,055.00	4,055.00
ii. Loans	5(b)	0.85	1.25
iii. Others financial assets	5(c)	19.04	17.01
Deferred tax assets (net)	6	1,609.64	1,573.51
Income tax assets (net)		14.11	12.68
Other non-current assets	7	4.23	-
Total non-current assets		11,562.76	11,861.85
Current assets			
Inventories	8	1,338.88	1,629.74
Financial assets			
i. Trade receivables	5(d)	1,121.10	1,040.88
ii. Cash and cash equivalents	5(e)	16.28	9.55
iii. Other bank balances	5(f)	3.80	3.60
iv. Loans	5(b)	-	0.06
v. Other financial assets	5(c)	290.28	260.31
Other current assets	9	387.06	525.97
Total current assets		3,157.40	3,470.11
Total assets		14,720.16	15,331.96
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10(a)	25.80	25.80
Other equity		11,830.06	11,885.36
Total equity		11,855.86	11,911.16
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease liabilities	11(b)	14.60	45.59
Provisions	13	88.88	75.00
Other non-current liabilities	12 (a)	38.72	46.80
Total non-current liabilities		142.20	167.39
Current liabilities			
Financial liabilities			
i. Borrowings	11(a)	1,026.00	1,122.55
ii. Lease liabilities	11(b)	8.44	19.52
iii. Trade payables			
Total outstanding dues of micro, small and medium enterprises	11(c)	28.72	33.32
Total outstanding dues of creditors other than micro, small and medium enterprises	11(c)	1,381.11	1,165.05
iv. Other financial liabilities	11(d)	111.40	529.50
Other current liabilities	12 (b)	127.86	300.59
Provisions	13	38.57	82.88
Total current liabilities		2,722.10	3,253.41
Total equity and liabilities		14,720.16	15,331.96

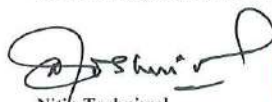
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **Walker Chandio & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 001076N/500013


Nith Toshniwal

Partner

Membership No: 507568

Place: Noida

Date: 27 May 2024



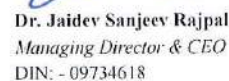
For and on behalf of the Board of Directors of

Jubilant Generics Limited


Jasdeep Singh
Gurdeep Singh Sood
Whole-time Director
DIN: 03383578

Place: Noida

Date: 27 May 2024


Dr. Jaidev Sanjeev Rajpal
Managing Director & CEO
DIN: - 09734618

Place: Noida

Date: 27 May 2024

Jubilant Generies Limited
Statement of Profit and Loss for the year ended 31 March 2024
(INR in million unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	14	3,790.20	3,199.65
Other income	15	92.57	66.57
Total income		3,882.77	3,266.22
Expenses			
Cost of materials consumed	16	701.55	912.56
Purchases of stock-in-trade		176.00	133.14
Changes in inventories of finished goods, stock-in-trade and work-in-progress	17	353.51	38.89
Employee benefits expense	18	1,034.90	1,336.00
Finance costs	19	43.71	15.78
Depreciation, amortisation and impairment expense	20	418.24	1,741.74
Other expenses	21	1,246.05	1,812.01
Total expenses		3,973.96	5,990.12
Loss before tax		(91.19)	(2,723.90)
Tax expense	22		
- Current tax		-	0.01
- Deferred tax credit		(36.05)	(836.30)
Total tax benefits		(36.05)	(836.29)
Loss for the year		(55.14)	(1,887.61)
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit obligations		(0.24)	(7.81)
Income tax on re-measurement of defined benefit obligations	22	0.08	2.73
Other comprehensive loss for the year		(0.16)	(5.08)
Total other comprehensive loss		(55.30)	(1,892.69)
Loss per equity share of INR 10 each	34		
Basic (INR)		(21.37)	(731.73)
Diluted (INR)		(21.37)	(731.73)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI Firm Registration Number.: 001076N/N500013


Nitin Toshniwal
Partner
Membership No: 507568

Place: Noida
Date: 27 May 2024

For and on behalf of the Board of Directors of

Jubilant Generies Limited


Jasdeep Singh
Gurdeep Singh Sood
Whole-time Director
DIN: 03383578

Place: Noida
Date: 27 May 2024


Dr. Jaidev Sanjeev Rajpal
Managing Director & CEO
DIN: - 09734618

Place: Noida
Date: 27 May 2024

JUBILANT GENERICS LIMITED**Statement of Changes in Equity for the year ended 31 March 2024**

(INR in million unless otherwise stated)

a) Equity share capital

Balance as at 1 April 2022	25.80
Issue of equity shares	-
Balance as at 31 March 2023	25.80
Issue of equity shares	-
Balance as at 31 March 2024	25.80

(b) Other Equity (1)

	Reserves and surplus			Total
	Capital reserve	Securities premium	Retained earnings	
As at 31 March 2022	3,512.42	15,572.04	6,266.08	25,350.54
Profit/(loss) for the year	-	-	(1,887.61)	(1,887.61)
Adjustments on account of demerger (Refer note 38)	(3,512.42)	(8,060.07)	-	(11,572.49)
Other comprehensive income/(loss)				
Remeasurement of defined benefit obligations (net of tax)	-	-	(5.08)	(5.08)
Total comprehensive income/(loss) for the year	(3,512.42)	(8,060.07)	(1,892.69)	(13,465.18)
As at 31 March 2023	-	7,511.97	4,373.39	11,885.36
Profit/(loss) for the year			(55.14)	(55.14)
Other comprehensive income/(loss)				
Remeasurement of defined benefit obligations (net of tax)			(0.16)	(0.16)
Total comprehensive income/(loss) for the year	-	-	(55.30)	(55.30)
As at 31 March 2024	-	7,511.97	4,318.09	11,830.06

(1) Refer note 10(b) for nature and purpose of other equity

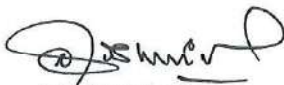
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As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm Registration Number.: 001076N/N500013



Nitin Toshniwal

Partner

Membership No: 507568



For and on behalf of the Board of Directors of

Jubilant Generics Limited



Jasdeepsingh Gurdeepsingh Sood

Whole-time Director

DIN: 03383578



Dr. Jaidev Sanjeev Rajpal

Managing Director & CEO

DIN: - 09734618

Place: Noida

Date: 27 May 2024

Place: Noida

Date: 27 May 2024

Place: Noida

Date: 27 May 2024

JUBILANT GENERICS LIMITED
Statement of Cash Flows for the year ended 31 March 2024

(INR in million unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flows from operating activities		
Loss before tax	(91.19)	(2,723.90)
Adjustments :		
Depreciation and amortisation expense	418.24	1,741.74
(Gain)/loss on sale/disposal/discard of property, plant and equipment (net)	(6.05)	3.35
Finance costs	43.71	15.78
Unrealised foreign exchange (gain) / loss	5.52	(4.29)
Allowance for expected credit loss	(1.97)	27.78
Interest income	(2.32)	(0.08)
Operating cash flows before working capital changes	365.94	(939.62)
(Increase)/ Decrease in trade receivables, loans, other financial assets and other assets	(7.65)	517.61
Decrease in inventories	290.86	152.46
(Decrease)/ Increase in trade payables, other financial liabilities, other liabilities and provisions	(383.77)	137.25
Cash generated/ (used in) from operations	265.38	(132.30)
Income tax paid (net of refunds)	(1.43)	(15.58)
Net cash generated from/(used in) operating activities	263.95	(147.88)
B. Cash flows from investing activities		
Purchase of property, plant and equipment, other intangible assets (including capital work-in-progress and intangible assets under development)	(73.29)	(366.84)
Proceeds from sale of property plant and equipment	9.08	158.09
Investment in deposits	(0.30)	-
Loan repaid by fellow subsidiaries	-	7.00
Interest received	2.38	17.48
Net cash used in investing activities	(62.13)	(184.27)
C. Cash flows from financing activities #		
(Repayment)/ proceeds from short term borrowings (net)	(96.55)	482.55
Finance costs paid	(89.66)	(76.77)
Payment of lease liabilities (net)	(8.88)	(69.39)
Net cash generated (used in)/from financing activities	(195.09)	336.39
Net increase in cash and cash equivalents (A+B+C)	6.73	4.24
Add: cash and cash equivalents at the beginning of year	9.55	5.46
Cash and cash equivalents transferred pursuant to demerger (Refer note 38)	-	(0.15)
Cash and cash equivalents at the end of the year (refer note 5(e))	16.28	9.55

Refer note 11(b) for changes in liabilities arising from financing activities.

Note: Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

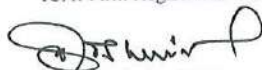
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

 For **Walker Chandlok & Co LLP**

Chartered Accountants

ICAI Firm Registration Number.: 001076N/N500013.



Nikin Toshniwal

Partner

Membership No: 507568

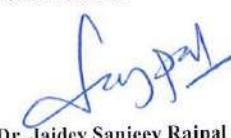


Place: Noida

Date: 27 May 2024

 For and on behalf of the Board of Directors of
Jubilant Generics Limited


Jasdeep Singh
 Gurdeep Singh Sood
 Whole-time Director
 DIN: 03383578



Dr. Jaidev Sanjeev Rajpal
 Managing Director & CEO
 DIN: - 09734618

Place: Noida

Date: 27 May 2024

Place: Noida

Date: 27 May 2024

Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

1. Corporate Information

Jubilant Generics Limited ("the Company") is a public limited company domiciled in India and incorporated on 25 November 2013 under the provisions of Companies Act, 1956. The Company is incorporated to engage in the manufacture and supply of Generics (Solid Dosage Formulations). The registered office of the Company is situated at Plot No 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh 201301. During the year 2020, the Company acquired the India Branded Pharmaceuticals ("IBP") business from Jubilant Pharmova Limited, erstwhile Jubilant Life Sciences Limited, which is a formulations business that caters to the Indian market.

The Scheme of Arrangement ("the Scheme") for demerger of the Active Pharmaceuticals Ingredients business undertaking of Jubilant Generics Limited ("JGL") and vesting of the same with the Jubilant Pharmova Limited (Ultimate Holding Company) on a going concern basis, with an appointed date of 1 April 2022 was approved by Hon'ble National Company Law Tribunal, Allahabad Bench ("the Tribunal") vide its order ("the Order") dated 23 May 2022 (formal order received on 13 June 2022). The Company has filed the certified copy of the Order from the Tribunal with the Registrar of Companies on 1 July 2022 for registration in terms the requirements under the Companies Act, 2013 and therefore the Scheme is effective with effect from 1 July 2022.

2 Material accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

These Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

All the amounts included in the financial statements are reported in millions of Indian Rupees and are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements are authorized for issue by the Company's Board of Directors on 27 May, 2024.

In accordance with Rule 6 of the Companies (Accounts) Rules, 2014, the Company does not prepare consolidated financial statements.

(ii) Historical cost convention

The standalone financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified a period of less than twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

(c) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.



Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

(ii) Intangible assets

With regard to other internally generated intangible assets:

- Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
- Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of PPE). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- Intangible assets that are acquired (including implementation of software system) are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of PPE as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Motor vehicles (owned)	5 years	8 years
Computer servers and networks (included in office equipment)	5 years	6 years
Dies and punches for manufacture of dosage formulations	1-2 years	15 years
Change parts for manufacture of dosage formulations	5 years	15 years
Employee perquisite related assets (except end user computers) (included in office equipment)	5 years, being the period of perquisite scheme	10 years
Leasehold improvements	10 years	Period of lease

Leasehold land which qualifies as finance lease is amortised over the lease period on straight line basis.

The estimated useful lives of intangibles are as follows:

Internally generated product registration	5 years
Rights	5 years
Software	5 years

Depreciation and amortization on property, plant and equipment and intangible assets added/ disposed of during the year has been provided on pro-rata basis.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

Property, plant and equipment and intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

(d) Impairment of non-financial assets

Goodwill, intangible assets that have an indefinite useful life and intangible assets under development are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. The company's other non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.



Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(c) Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets :

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Investments in subsidiaries and an associate

Investments in subsidiaries and an associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.



Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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

(f) Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable. The cost of work in progress and manufactured finished goods include an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(g) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(h) Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



(i) Revenue recognition

Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognized when the Company satisfies a performance obligation as and when the underlying services are performed.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognized over the period over which the company satisfies the underlying performance obligations.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as Goods and services tax (GST), sales tax, excise duty, value added tax and applicable discounts and allowances including expected sales return etc. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels etc.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

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

Interest income is recognised using the effective interest method.

(j) Employee benefits

(i) Short-term employee benefits: All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) Post-employment benefits: Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment.

(b) Provident fund

(i) The Company earlier made contribution to the recognised provident fund - "VAM Employees Provident Fund Trust" (a multi-employer trust) for most of its employees in India. During the previous year, the Company transferred the balance in VAM Employees Provident Fund Trust to Regional Provident Fund Commissioner and started making contribution with Regional Provident Fund Commissioner for all the qualified employees with effect from 1 December 2021. This is treated as a defined contribution plan.

The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(iii) Other long-term employee benefits:

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iv) Termination benefits:

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(v) Actuarial valuation

The liability in respect of all defined benefit plans and other long term benefits at the end of the financial year is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurment gains and losses are recognised in the Statement of Profit and Loss in the period in which they arise. Remeasurment gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit and loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).



Past service cost is recognised as an expense in the Statement of Profit or Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced)

(k) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(l) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- Current tax:
- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.
- Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.
- Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:
 - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
 - temporary differences related to freehold land and investments in subsidiaries and an associate, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
 - taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(m) Leases

(i) Leases – Company as a lessor

The Company, as a Lessor, presents assets subject to operating leases in the balance sheet according to the nature of the asset.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term as per the agreed lease rentals, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

(ii) Leases – Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.



Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

The Company's lease asset classes primarily consist of leases for Land, buildings and vehicles which typically run for a period of 3 to 10 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statements of Profit or Loss and Other Comprehensive Income.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(n) Segment reporting

Board of Directors of the Company had been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Company has determined pharmaceutical as the only reportable segment.

(o) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(p) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.



(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(s) Share based payments

The Company has adopted the policy to account for Employees Welfare Trust as a legal entity separate from the Holding Company but as a subsidiary of the Holding Company. Any loan from the Holding Company to the trust is accounted for as a loan in accordance with its term. The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognised as an employee expense, and those granted to employees of subsidiaries is recharged to subsidiaries or considered as the Company's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

(t) Critical estimates and judgments

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Assessment of useful life of property, plant and equipment and intangible assets – Note 2(c)
- Valuation of inventories – Note 2(f)
- Recognition of revenue – Note 2(i)
- Fair value measurement – Note 2(q)
- Estimation of assets and obligations relating to employee benefits – Note 2(j)
- Recognition and estimation of tax expense including deferred tax – Note 2(l)
- Estimated impairment of financial assets and non-financial assets – Note 2(d) and 2(e)
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of outflow of resources – Note 29
- Lease term: whether the Company is reasonably certain to exercise extension options – Note 2(m)

(u) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 3 : Property, Plant and equipment and Capital work-in-progress

Description	Land-freehold	Building-factory	Building-Other	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total	Capital work-in-progress (CWIP)
Gross carrying amount									
Balance as at 1 April 2022	597.83	1,672.32	296.20	8,237.19	280.66	11.79	297.71	11,393.70	642.99
Additions/adjustments (3)	-	58.70	7.18	297.23	10.67	-	30.33	404.11	164.35
Adjustments on account of demerger (Refer note 38)	-	-	-	(5,560.16)	(64.15)	(3.09)	(132.79)	(5,760.19)	(351.97)
Deductions/adjustments	-	-	-	(302.56)	(3.28)	(1.13)	(21.54)	(328.51)	(411.78)
Balance as at 31 March 2023	597.83	1,731.02	303.38	2,671.70	223.90	7.57	173.71	5,709.11	43.59
Additions/adjustments (3)	-	0.61	-	9.54	0.06	-	2.29	12.50	31.61
Deductions/adjustments	-	-	-	(0.92)	(10.68)	-	(14.15)	(25.75)	(25.10)
Balance as at 31 March 2024	597.83	1,731.63	303.38	2,680.32	213.28	7.57	161.85	5,695.86	50.10
Accumulated depreciation									
Balance as at 1 April 2022	-	342.00	55.44	3,221.08	138.59	1.29	189.89	3,948.29	-
Depreciation charge for the year	-	60.70	8.76	237.24	9.67	2.23	33.38	351.98	-
Adjustments on account of demerger (Refer note 38)	-	-	-	(1,891.41)	(35.01)	(2.40)	(87.94)	(2,016.76)	-
Deductions/adjustments	-	-	-	(170.20)	(2.23)	(0.73)	(16.27)	(189.43)	-
Balance as at 31 March 2023	-	402.70	64.20	1,396.71	111.02	0.39	119.06	2,094.08	-
Depreciation charge for the year	-	61.61	8.57	225.53	17.90	2.15	22.22	337.98	-
Deductions/adjustments	-	-	-	(0.45)	(7.49)	-	(9.23)	(17.17)	-
Balance as at 31 March 2024	-	464.31	72.77	1,621.79	121.43	2.54	132.05	2,414.89	-
Net carrying value as at 31 March 2023	597.83	1,328.32	239.18	1,274.99	112.88	7.18	54.65	3,615.03	43.59
Net carrying value as at 31 March 2024	597.83	1,267.32	230.61	1,058.53	91.85	5.03	29.80	3,280.97	50.10

Notes:

- (1) Refer note 30(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (2) Refer note 19 for finance costs capitalised.
- (3) The Company does not have any Property, Plant and Equipment pledged as security.
- (4) Depreciation of Property, plant and equipment has been presented in note 20 i.e. Depreciation and amortisation expenses.
- (5) The title deeds of the immovable properties are held in the name of the Company.
- (6) Capital work-in-progress mainly comprise of plant and machinery and buildings which are under installation/construction at the premises of the Company.
- (7) Refer note 35 for asset given on operating lease.



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
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Ageing detail of Capital work-in-progress as at 31 March 2024 is as follows:

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	14.96	3.44	1.67	30.03	50.10
Total	14.96	3.44	1.67	30.03	50.10

Ageing detail of Capital work-in-progress as at 31 March 2023 is as follows:

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	11.20	2.35	1.91	28.13	43.59
Total	11.20	2.35	1.91	28.13	43.59

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan. Projects in progress as on 31 March 2024 and 31 March 2023 have not exceeded the estimated cost and timeline compared to their respective original plans.

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Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

Note 4 : Intangible assets and Intangible assets under development

Description	Goodwill	Internally generated product registration/ market authorisation (a)	Rights (b)	Software (c)	Total (a+b+c)	Intangible assets under development
Gross carrying amount						
Balance as at 1 April 2022	1,371.36	2,729.84	15.81	293.54	3,039.19	3,346.89
Additions/adjustments	-	57.96	-	13.19	71.15	212.32
Adjustments on account of demerger (Refer Note 38)	(1,371.36)	-	-	(16.11)	(16.11)	-
Impairment for the year (3)	-	-	-	-	-	(1,202.34)
Deductions/adjustments/capitalised	-	(177.46)	-	(2.32)	(179.78)	(57.96)
Balance as at 31 March 2023	-	2,610.34	15.81	288.30	2,914.45	2,298.91
Additions/adjustments	-	8.72	-	0.16	8.88	94.65
Impairment for the year (4)	-	-	-	-	-	-
Deductions/adjustments/capitalised	-	(57.24)	-	(0.41)	(57.65)	(8.72)
Balance as at 31 March 2024	-	2,561.82	15.81	288.05	2,865.68	2,384.84
Accumulated amortisation / impairment						
Balance as at 1 April 2022	-	2,491.56	15.81	246.96	2,754.33	-
Amortisation/impairment for the year	-	129.50	-	13.24	142.74	-
Adjustments on account of demerger (Refer Note 38)	-	-	-	(6.15)	(6.15)	-
Deductions/adjustments	-	(166.91)	-	(2.13)	(169.04)	-
Balance as at 31 March 2023	-	2,454.15	15.81	251.92	2,721.88	-
Amortisation for the year	-	59.67	-	13.06	72.73	-
Deductions/adjustments	-	(57.24)	-	(0.33)	(57.57)	-
Balance as at 31 March 2024	-	2,456.58	15.81	264.65	2,737.04	-
Net carrying value as at 31 March 2023	-	156.19	-	36.38	192.57	2,298.91
Net carrying value as at 31 March 2024	-	105.24	-	23.40	128.64	2,384.84

Ageing detail of Intangible assets under development as at 31 March 2024 is as follows:

Particulars	Intangible capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	16.37	2,368.47	2,384.84
Total	-	-	16.37	2,368.47	2,384.84



Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

Ageing detail of Intangible assets under development as at 31 March 2023 is as follows:

Particulars	Intangible capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	112.26	138.03	179.49	1,869.13	2,298.91
Total	112.26	138.03	179.49	1,869.13	2,298.91

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan. Further, majority of products are pending for approval from the regulatory department. Management believe the Company will get the relevant approval and these will be capitalised thereafter.

Notes:

(1) During previous year, the goodwill has been transferred as part of demerger (Refer Note 38).

(2) The Company does not have Intangible assets and intangible assets under development pledged as security.

(3) The carrying value of internally generated product registration and other intangibles (including intangible assets under development) is reviewed annually and was last reviewed on 31 March 2024. Based on changed market conditions, recalibrated approach for development of intangibles that stringently evaluates all new developments and prioritize intangibles under development based on technical and financial assessment. Nil (previous year INR 1,202.34 million) had been charged off during the year and included under depreciation and amortization expense in the Statement of Profit and Loss.

The Company's process involves significant judgments in estimating the future revenues, expected cost to complete the development and estimating the recoverable amount of Intangible assets under development. The recoverable amount arrived at is the value in use estimated by management. Based on various internal and externally available data, the Company has also taken into consideration various factors such as number of competitors, future revenues and margins etc.

The estimate of value in use was determined by applying discount rate of 12.25% (previous year 12.90%) on the expected future cash flows estimated considering following:

- Cash flows for a period of 10 years by continuing use of the asset considering possible variations and uncertainties and necessary growth or decline
- Net cash flows, if any, to be received or paid at the end of its useful life

(4) Refer Note 19 for finance costs capitalized.

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Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 5: Financial assets

5(a) Non-current Investments

	As at 31 March 2024	As at 31 March 2023
Investment in equity shares (at cost)		
Unquoted investment (fully paid up)		
(A) Subsidiary:		
Jubilant Pharma NV	965.00	965.00
[13,900,000 (Previous year 13,900,000) equity shares of face value Euro 1 per share]		
(B) Associate* :		
Jubilant Pharma Holdings Inc.	3,090.00	3,090.00
[200 (Previous year 200) equity shares with no par value]		
Total non-current investments	4,055.00	4,055.00
Aggregate amount of unquoted investments	4,055.00	4,055.00

*The Company, by virtue of its group holding, control 14.64% and thus has been shown as an Associate and kept as cost in accordance with Ind AS-28.

5(b) Loans

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Unsecured, considered good		
Loan to employees*	0.85	1.25
Total loans	0.85	1.25
	As at	As at
	31 March 2024	31 March 2023
Current:		
Unsecured, considered good		
Loan to employees*	-	0.06
Total loans	-	0.06

* There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and their related parties (as defined under companies act. 2013) either severally or jointly with any other person, that (a) repayable on demand or (b) without specifying any other term or period of repayment.

5(c) Others financial assets

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Deposits accounts with maturity more than twelve months from the reporting date	0.33	0.23
Security deposits	18.71	16.78
Total	19.04	17.01
	As at	As at
	31 March 2024	31 March 2023
Current:		
Advances recoverable from related parties (refer note 28)	267.51	226.06
Unbilled revenue	15.45	27.22
Interest receivable	0.64	0.70
Others	6.68	6.33
Total	290.28	260.31



Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

5(d) Trade receivables

	As at 31 March 2024	As at 31 March 2023
Unsecured and current		
Trade receivables considered good	370.03	327.00
Receivables from related parties (Refer note 28)	751.07	713.88
Trade receivables - credit impaired	46.42	52.57
Less: Expected credit loss allowance (Refer note 25)	(46.42)	(52.57)
Total trade receivables	1,121.10	1,040.88

Note: Refer note 25 for expected credit loss allowance for trade receivables

Ageing for trade receivables outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Trade receivables						
Undisputed trade receivable - considered good	620.40	473.93	11.68	14.59	0.50	-
Undisputed trade receivables - credit impaired	0.76	1.21	2.96	4.60	31.20	2.31
Disputed trade receivables - credit impaired	-	-	-	-	-	3.38
	621.16	475.14	14.64	19.19	31.70	5.69
	(0.76)	(1.21)	(2.96)	(4.60)	(31.20)	(5.69)
	620.40	473.93	11.68	14.59	0.50	-
						1,121.10

Ageing for trade receivables outstanding as at 31 March 2023 is as follows:

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Trade receivables						
Undisputed trade receivable - considered good	356.46	489.43	137.19	49.09	1.91	0.03
Undisputed trade receivables - credit impaired	0.59	0.64	2.31	44.36	1.73	0.03
Disputed trade receivables - considered good	-	-	3.62	-	0.43	2.72
Disputed trade receivables - credit impaired	-	-	0.06	-	0.39	2.46
	357.05	490.07	143.18	93.45	4.46	5.24
	(0.59)	(0.65)	(2.37)	(44.36)	(2.11)	(2.49)
	356.46	489.42	140.81	49.09	2.35	2.75
						1,040.88



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

5(e) Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- in current accounts	16.28	9.44
Others		
- imprest	-	0.11
Total cash and cash equivalents	16.28	9.55

5 (f) Other bank balance

	As at 31 March 2024	As at 31 March 2023
Deposits accounts with maturity up to twelve months from the reporting date- held as margin money*	3.80	3.60
Total other bank balance	3.80	3.60

*Deposit with original maturity of more than three months but less than twelve months and against the credit facility extended to the Company by banks

Note 6 : Deferred tax assets (net)

Deferred income tax reflects the net tax effects of temporary differences between the carrying amount of asset and liabilities for financial reporting purposes and the amount used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

The balance comprises temporary differences attributable to:

Deferred tax assets

	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	Tax losses carried forward	MAT credit Entitlement	Others	Total
As at 1 April 2022	111.23	36.72	761.22	1,629.27	29.01	2,567.45
Transferred in demerger (refer note 38)	(61.02)	(12.30)	(350.22)	(749.60)	(5.24)	(1,178.38)
(Charged)/Credited:						
- to statement of profit and loss	(11.18)	8.59	636.87	(13.59)	7.89	628.58
- to other comprehensive income	(2.73)	-	-	-	-	(2.73)
As at 31 March 2023	36.30	33.01	1,047.87	866.08	31.66	2,014.92
(Charged)/Credited:						
- to statement of profit and loss	(11.96)	29.95	54.09	7.90	(4.94)	75.04
- to other comprehensive income	0.08	-	-	-	-	0.08
As at 31 March 2024	24.42	62.96	1,101.96	873.98	26.72	2,090.04

The balance comprises temporary differences attributable to:

Deferred tax liabilities

	PPE, Intangibles and Right of use assets	Others	Total
As at 1 April 2022	1,479.21	0.23	1,479.44
Transferred in demerger (refer note 38)	(825.05)	-	(825.05)
(Charged)/Credited:			
- to statement of profit and loss	(212.98)	-	(212.98)
As at 31 March 2023	441.18	0.23	441.41
(Charged)/Credited:			
- to statement of profit and loss	38.99	-	38.99
As at 31 March 2024	480.17	0.23	480.40



Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Reflected in the Balance Sheet as follows:

	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	2,090.04	2,014.92
Deferred tax liabilities	480.40	441.41
Deferred tax assets, net:	1,609.64	1,573.51

Reconciliation of deferred tax assets (net):

	As at 31 March 2024	As at 31 March 2023
Balance as at the commencement of the year	1,573.51	1,087.81
Amount transferred in demerger (refer note 38)	-	(353.34)
Credit during the year recognised in statement of profit and loss (including MAT)	36.05	836.31
Credit during the year recognised in OCI	0.08	2.73
Balance as at the end of the year	1,609.64	1,573.51

A. The Company has recognized deferred tax assets to the extent that management is reasonably certain that the same would be available for adjustment against foreseeable tax profit. The Company has unabsorbed depreciation as per tax laws for INR 3,152.47 million as at March 31, 2024 (March 31, 2023: INR 2,954.42 million) that is available for off-setting against the future taxable profits of the Company. The unabsorbed depreciation can be carried forward indefinitely as per tax laws.

B. Deferred tax assets comprises of Minimum alternate tax credit (MAT credit) amounting to INR 873.98 million (Previous year INR 866.08 million). The MAT credit can be carried forward up to 15 assessment years. The MAT credit will expire in assessment year 2034-35, 2035-36, 2036-37, 2037-38.

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Jubilant Generies Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Note 7: Other non-current assets

	As at 31 March 2024	As at 31 March 2023
Capital advances	4.23	-
Total other non-current assets	4.23	-

Note 8: Inventories

	As at 31 March 2024	As at 31 March 2023
Raw materials (including packing material)	837.25	717.40
Work-in-progress	40.65	301.74
Finished goods	200.30	307.00
Traded goods	71.80	57.54
Stores, spares and others	188.88	246.06
Total inventories	1,338.88	1,629.74

1) Refer note 16 and 17, for consumption and change in inventories (other than stores and spares).

2) Includes Goods in transit of INR 28.29 million (previous year INR 11.39 million).

3) The Company has recorded the provision against the value of inventory including NRV (net realisable value) provision of INR 149.11 million (previous year INR 130.49 million).

Note 9: Other current assets

	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	100.72	93.81
Recoverable from/ balance with government authorities	228.63	327.84
Advance to employees	1.14	2.45
Advance for supply of goods and services	47.44	49.47
Others	9.13	52.40
Total other current assets	387.06	525.97

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Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 10: Equity share capital and other equity

10(a) Equity share capital

	As at 31 March 2024	As at 31 March 2023
Authorised		
3,000,000 (Previous year 3,000,000) equity shares of INR 10 each	30.00	30.00
	<u>30.00</u>	<u>30.00</u>
Issued and subscribed		
2,579,665 (Previous year 2,579,665) equity shares of INR 10 each fully paidup	25.80	25.80
	<u>25.80</u>	<u>25.80</u>

(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

	As at 31 March 2024		As at 31 March 2023	
	Number	INR in million	Number	INR in million
At the commencement of the year	2,579,665	25.80	2,579,665	25.80
At the end of the year	2,579,665	25.80	2,579,665	25.80

(2) Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of INR 10 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(3) Details of shareholders holding more than 5% shares in the company

At commencement and end of the year	As at 31 March 2024		As at 31 March 2023	
Equity shares of INR 10 each fully paid-up held by	Number	% of total shares	Number	% of total shares
Jubilant Pharma Limited, Singapore - the holding company (including 6 shares held jointly with 6 individuals)	2,579,665	100%	2,579,665	100%

(4) Shareholding of promoters are as follows :

At commencement and end of the year	As at 31 March 2024		As at 31 March 2023	
Equity shares of INR 10 each fully paid-up held by	Number	% of total shares	Number	% of total shares
Jubilant Pharma Limited, Singapore - the holding company (including 6 shares held jointly with 6 individuals)	2,579,665	100%	2,579,665	100%

(5) The Company has not issued any bonus shares neither has issued shares for consideration other than cash and has not bought back any shares in the current and previous periods.

10(b) Other equity #

Nature and purpose of other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium	7,511.97	7,511.97
Retained earnings	4,318.09	4,373.39

Securities premium

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilized in accordance with the provisions of the Act.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.

Refer statement of change in equity for movement.



Jubilant Generies Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Note 11: Financial liabilities**11(a) Borrowings**

	As at 31 March 2024	As at 31 March 2023
Loans repayable on demand		
From banks (secured)		
-Cash credit	166.00	7.55
-Working capital demand loan	860.00	1,115.00
Total current borrowings	1,026.00	1,122.55

Notes:

1. Working capital facilities (including cash credit) sanctioned by consortium of banks are secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts, receivables and inventories, both present and future, of the Company.

2. Short-term loans are availed in Indian rupees. Indian rupee loans carry interest rate ranging from 7.50 % to 9.50 % p.a. (Previous year interest rate ranging from 4.04% to 8.75% p.a.).

3. The Company has availed fund based and non-fund based working capital facility of INR 2,450 million (previous year INR 2,450 million) from a consortium of banks. The facility is secured by way of hypothecation of the Company's entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables current assets including book-debts, receivables, both present and future, on a first charge basis ranking pari-passu with other participating consortium member banks.

The carrying amounts of assets pledged as security for current borrowings are:

	As at 31 March 2024	As at 31 March 2023
Current:		
Financial assets		
First pari-passu charge:		
Receivables -note 5(d)	1,121.10	1,040.88
Inventories- note 8	1,338.88	1,629.74
Total current assets pledged as security	2,459.98	2,670.62

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Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

11(b) Reconciliation of movements of liabilities to cash flows arising from financing activities

	As at 31 March 2023	Financing cash flows	New finance leases	Adjustment*	Finance cost expensed	Finance cost capitalised	As at 31 March 2024
Lease liabilities	65.11	(8.88)	10.00	(43.19)	-	-	23.04
Short term loans repayable on demand (net)	1,122.55	(96.55)	-	-	-	-	1,026.00
Interest accrued	3.62	(89.66)	-	-	43.71	45.50	3.17
Total	1,191.28	-195.09	10.00	(43.19)	43.71	45.50	1,052.21

	As at 31 March 2022	Financing cash flows	New finance leases	Adjustment*	Finance cost expensed	Finance cost capitalised	As at 31 March 2023
Lease liabilities	137.03	(69.39)	2.92	(5.45)	-	-	65.11
Short term loans repayable on demand (net)	640.00	482.55	-	-	-	-	1,122.55
Interest accrued	1.81	(76.77)	-	-	15.78	62.80	3.62
Total	778.84	336.39	2.92	(5.45)	15.78	62.80	1,191.28

*Adjustments includes any change in the lease terms including cancellation.

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Jubilant Generies Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

11(c) Trade payables

	As at 31 March 2024	As at 31 March 2023
Trade payables		
-Total outstanding dues of micro, small and medium enterprises (Refer Note 33)	28.72	33.32
-Total outstanding dues of creditors other than micro, small and medium enterprises	1,381.11	1,165.05
Total trade payables	1,409.83	1,198.37
Amount payable to related parties included in above (Refer Note 28)	858.13	542.55

Ageing for trade payables outstanding as at 31 March 2024 is as follows :

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	27.92	0.80	-	-	-	28.72
Other than micro, small and medium enterprises	408.32	520.05	246.51	97.42	108.81	1,381.11
Total	436.24	520.85	246.51	97.42	108.81	1,409.83

Ageing for trade payables outstanding as at 31 March 2023 is as follows :

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	12.44	20.77	0.11	-	-	33.32
Other than micro, small and medium enterprises	352.42	767.79	27.65	-	17.19	1,165.05
Total	364.86	788.56	27.76	-	17.19	1,198.37

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Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

11(d) Other current financial liabilities

	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	3.17	3.62
Capital creditors	12.62	12.14
Employee benefits payable	95.61	88.49
Other payable to related parties	-	425.25
Total other current financial liabilities	111.40	529.50

Note 12 (a): Other non-current liabilities

	As at 31 March 2024	As at 31 March 2023
Deferred revenue	16.07	16.78
Deferred income - government grant	22.65	30.02
Total other non-current liabilities	38.72	46.80

Note 12 (b): Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Contract liabilities	3.14	4.32
Deferred income - government grant	7.37	7.67
Advance from customers (refer note 28)	52.81	209.55
Statutory dues payables	64.54	79.05
Total other current liabilities	127.86	300.59

13: Provisions

	As at 31 March 2024	As at 31 March 2023
Current:		
Provision for gratuity (refer note 23)	12.99	41.82
Provision for compensated absences (refer note 23)	11.59	29.38
Provision for sales return (Refer movement below)	13.99	11.68
	38.57	82.88
Movement:		
Opening as on 1 April 2023	11.68	10.72
Addition during the year	13.99	11.68
Deletion during the year	(11.68)	(10.72)
Closing as on 31 March 2024	13.99	11.68
Non-current:		
Provision for gratuity (refer note 23)	56.95	45.58
Provision for compensated absences (refer note 23)	31.93	29.42
	88.88	75.00



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 14: Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of products		
- Finished goods	2,909.46	2,175.70
- Traded goods	462.34	352.12
Sale of services	335.50	485.27
Other operating revenue		
- Export benefits	59.70	29.02
- Scrap sale	8.68	8.90
- Others	14.52	148.64
Total revenue from operations	3,790.20	3,199.65

Disaggregation of revenue:

In the following table, revenue (other than other operating revenue) is disaggregated by primary geographical market, service lines and sales channels.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Primary geographical markets		
India	539.44	491.11
Americas and Europe	1,695.96	808.10
Rest of the world	1,471.90	1,713.88
Total	3,707.30	3,013.09
Major product/service line		
Dosage	3,371.80	2,527.82
Management of services	335.50	485.27
Total	3,707.30	3,013.09

Contract balances

	As at 31 March 2024	As at 31 March 2023
Trade receivables	1,121.10	1,040.88
Contract assets	15.45	27.22
Contract liabilities (including advance from customers)	72.02	230.65

Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted Price	3,707.55	3,027.28
Reductions towards discounts/variable consideration components	0.25	14.19
Revenue recognised	3,707.30	3,013.09

Note 15: Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Government grant income	7.67	8.31
Interest income	2.32	0.08
Gain on sale/disposal/discard of property, plant and equipments (net)	6.05	-
Rental income	74.56	53.90
Reversal of allowance for expected loss	1.97	-
Other items	-	4.28
Total other income	92.57	66.57



Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

Note 16: Cost of materials consumed

	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw materials consumed	701.55	912.56
Total cost of materials consumed	701.55	912.56

Note 17: Changes in inventories of work-in-progress, stock-in-trade and finished goods

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance		
Work-in-progress	301.74	2,074.26
Finished goods	307.00	798.73
Stock-in-trade	57.52	50.40
Total opening balance	666.26	2,923.39
Adjustment / Transfer pursuant to the demerger Scheme (Refer note 38)	-	(2,218.24)
Closing balance		
Work-in-progress	40.65	301.74
Finished goods	200.30	307.00
Stock-in-trade	71.80	57.52
Total closing balance	312.75	666.26
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	353.51	38.89
Net change in inventories	353.51	38.89

Note 18: Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages, bonus, gratuity and allowances	872.53	1,183.80
Contribution to provident fund and other funds (refer note 23)	48.25	65.67
Employee share-based payment expense (refer note 28)	67.52	25.15
Staff welfare expenses	46.60	61.38
Total employee benefits expense	1,034.90	1,336.00

Note 19: Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense (1)	43.71	15.44
Other borrowing costs	-	0.34
Total finance costs	43.71	15.78

(1) Finance costs on general borrowings amounting to INR 45.50 million (previous year INR 62.24 million) has been capitalised during the year..

Note 20: Depreciation, amortisation and impairment expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment	337.98	351.98
Amortisation of right of use assets (refer note 35)	7.53	48.17
Impairment of intangible assets (including intangibles under development) (refer note 4)	-	1,202.34
Amortisation of intangible assets (refer note 4)	72.73	139.25
Total depreciation, amortisation and impairment expense	418.24	1,741.74



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 21: Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	118.71	164.86
Consumption of stores and spares and packing materials	119.30	229.61
Processing charges	13.85	140.25
Rental charges (refer note 28 & 36)	1.85	1.37
Rates and taxes	191.09	157.65
Insurance	16.79	20.49
Advertisement, publicity and sales promotion	145.17	123.15
Travel and conveyance	85.06	73.25
Repairs and maintenance		
Plant and machinery	40.13	79.52
Buildings	4.27	11.24
Others	119.46	227.20
Office expenses	10.81	34.83
Vehicle running and maintenance (refer note 28)	2.43	5.02
Printing and stationery	1.26	3.53
Telephone and communication charges	6.02	12.56
Staff recruitment and training	4.87	8.86
Donation (including corporate social responsibility expenditure) (refer note 31)	-	18.63
Payments to auditors (refer note 21 (a))	1.00	1.25
Legal and professional fees	303.94	373.59
Freight and forwarding (including ocean freight)	28.52	33.23
Directors' sitting fees	0.85	0.19
Subscription	10.84	15.05
Bank charges	1.80	1.49
Claims and other selling expenses	14.32	20.43
Commission on sales	2.90	8.26
Net foreign exchange loss	0.77	2.28
Allowance for expected loss	-	27.78
Loss on sale/disposal/discard of property, plant and equipments (net)	-	3.35
Miscellaneous expenses	0.04	13.09
Total other expenses	1,246.05	1,812.01

Note 21(a): Details of payments to auditors (excluding applicable taxes and including out of pocket expenses)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Payment to auditors		
As auditor:		
Audit fee	0.70	1.05
In other capacities		
Certification and other service fees	0.30	0.20
Total payments to auditors	1.00	1.25

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Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 22: Income tax expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit or loss section		
Current income tax:		
Current income tax charge for the year	-	-
Adjustments in respect of current income tax of previous years	-	0.01
	-	0.01
Deferred tax:		
Deferred tax for the year	(32.07)	(845.51)
Adjustments in respect of deferred tax of previous years	(3.98)	9.21
	(36.05)	(836.30)
Income tax (benefit) / expense reported in the Statement of Profit and Loss	(36.05)	(836.29)
OCI section		
Tax related to items that will not be reclassified to Profit or Loss	(0.08)	(2.73)
Income tax charged to OCI	(0.08)	(2.73)

Reconciliation between average effective tax rate and applicable tax rate for the year:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before income tax	(91.19)	(2,723.90)
At India's statutory income tax rate of 34.944% (31 Mar 2023 34.944%)	(31.87)	(951.84)
Effect of non-deductible expenses and exempt income	-	127.20
Effect of lower tax rate on temporary difference of current year	(0.20)	(13.94)
Effect of prior year re-assessments	(3.98)	9.22
Others	-	(6.93)
Income Tax expenses reported in the Statement of Profit and Loss	(36.05)	(836.29)

Note 23: Employee Benefits in respect of the Company have been calculated as under:

(A) Defined Contribution Plans

The Company has certain defined contribution plan such as employee state insurance, employee pension scheme, wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Employer's contribution to provident fund (refer note 23(B)(ii))	29.66	44.03
Employer's contribution to employee's pension scheme 1995	16.94	20.43
Employer's contribution to employee state insurance	1.65	1.21

(B) Defined Benefit Plans

(i) Gratuity:

In Accordance with Ind AS 19 "Employee benefits" an actuarial valuation has been carried out in respect of gratuity. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 7.13% p.a. (Previous year 7.35 % p.a.) which is determined by reference to market yield at the balance sheet date on Government bonds. The retirement age has been considered at 58 years (Previous year 58 years) and mortality table is as per IALM (2012-14) (Previous year IALM (2012-14)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (Previous year 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the beginning of the year	87.39	277.13
Current service cost	12.84	14.71
Transfer In / Out (including transferred pursuant to the demerger Scheme, refer note 38)	(19.41)	(163.42)
Interest cost	6.42	8.18
Actuarial (gain)/loss	0.24	7.81
Benefits paid	(17.54)	(57.02)
Present value of obligation at the end of the year	69.94	87.39

Fair Value of Plan Assets**

	As at 31 March 2024	As at 31 March 2023
Plan assets at the beginning of the year	-	29.67
Expected return on plan assets	-	-
Contribution by employer	-	-
Actual benefits paid	-	-
Fund management charges	-	-
Transferred pursuant to the demerger Scheme (refer note 38)	-	(29.67)
Plan assets at the end of the year	-	-

** In respect of certain employees of Nanjangud manufacturing unit of the Company, which has been transferred out as a result of demerger Scheme (Refer note 38).

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets

	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the end of the year	69.94	87.39
Fair value of plan assets at the end of the year	-	-
Net liabilities recognised in the Balance Sheet	69.94	87.39

Expense recognised in the statement of profit and loss under employee benefit expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	12.84	14.71
Interest cost	6.42	8.18
Expenses recognised in the Statement of profit and loss	19.26	22.89

Amount recognised in the statement of other comprehensive income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss/(gain) on arising from change in demographic assumption	4.11	(0.96)
Actuarial loss/(gain) on arising from change in financial assumption	1.49	(0.94)
Actuarial loss/(gain) on arising from experience adjustment	(5.35)	9.70

Company's best estimate of contribution during next year is INR 19.70 million (previous year INR 19.77 million).

As at 31 March 2024 and 31 March 2023 there are no plan assets, 100% of the plan assets were invested in insurer managed funds.

Sensitivity analysis

Particulars	31 March 2024	
Assumptions	Sensitivity level	Impact on defined benefit
	0.5% increase	(1.53)
Discount rate	0.5% decrease	1.61
	0.5% increase	1.61
Future salary increase	0.5% decrease	(1.55)



Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Particulars	31 March 2023	
	Sensitivity level	Impact on defined benefit
Discount rate	0.5% increase	(0.62)
	0.5% decrease	0.63
Future salary increase	0.5% increase	0.64
	0.5% decrease	(0.63)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

(ii) Provident Fund:

The Company made monthly contributions to the recognised provident fund - "VAM Employees Provident Fund Trust" (a multi-employer trust) for most of its employees in India, for the period starting with 1 April 2021 till 30 November 2021. Post 1 December 2021, these contributions are made with the regional provident fund authority for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has contributed NIL to Provident Fund Trust (previous year: INR 65.67 million) during the year.

(C) Other long term benefits (Compensated absences) :

	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the end of the year	43.52	58.80

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Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Note 24: Fair value measurements

	Note	Level of hierarchy	31 March 2024			31 March 2023		
			FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets								
<i>(excluding investment in subsidiaries)</i>								
Trade receivables	(a)	3	-	-	1,121.10	-	-	1,040.88
Loans	(c)		-	-	0.85	-	-	1.31
Cash and cash equivalents	(a)		-	-	16.28	-	-	9.55
Other bank balances	(a)		-	-	3.80	-	-	3.60
Other financial assets	(a)		-	-	309.32	-	-	277.32
Total financial assets			-	-	1,451.35	-	-	1,332.66
Financial liabilities								
Borrowings	(a)	3	-	-	1,026.00	-	-	1,122.55
Trade payables	(a)		-	-	1,409.83	-	-	1,198.37
Other financial liabilities	(a)		-	-	111.40	-	-	529.50
Lease liability	(a)		-	-	23.04	-	-	65.11
Total financial liabilities			-	-	2,570.27	-	-	2,915.53

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

(c) All the assets and liabilities belong to Level 3.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2024 and 31 March 2023.

Note 25: Financial Risk Management**A. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversees the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether they are an individual or a legal entity, whether they are an institutional dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable (excluding related parties) using lifetime expected credit loss.



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024

(InR in million unless otherwise stated)

Company's exposure to credit risk for trade receivables using provision matrix is as follows:

	As at 31 March 2024			As at 31 March 2023		
	Gross carrying	Allowance for credit	Net carrying amount	Gross carrying	Allowance for credit	Net carrying
Not due	621.15	0.76	620.39	357.05	0.59	356.46
0-90 days	409.89	0.48	409.41	235.50	0.48	235.02
90-180 days	65.25	0.73	64.52	254.57	0.17	254.40
180-270 days	9.22	1.55	7.67	134.31	0.85	133.46
270-360 days	5.42	1.41	4.01	8.87	1.53	7.34
More than 360 days	56.59	41.49	15.10	103.15	48.95	54.20
	1,167.52	46.42	1,121.10	1,093.45	52.57	1,040.88

Movement in the expected credit loss allowance of trade receivables are as follows:

	31 March 2024	31 March 2023
Balance at the beginning of the year	52.57	33.90
Transferred pursuant to the Scheme of demerger (refer note 38)	-	(8.03)
(Less)/add: Reversed/provided during the year (net of reversal)	(3.94)	26.70
Less: Amount written off*	(2.21)	-
Balance at the end of the year	46.42	52.57

* Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company.

Expected credit loss with respect to other financial assets:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by the treasury department. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

Contractual Cash flows (1)				
31 March 2024	Carrying Amount	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	1,026.00	1,026.00	1,026.00	-
Trade payables	1,409.83	1,409.83	1,409.83	-
Other financial liabilities	111.40	111.40	111.40	-
Lease liability	23.04	23.04	8.44	14.60
	2,570.27	2,570.27	2,555.67	14.60
Contractual Cash flows (1)				
31 March 2023	Carrying Amount	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	1,122.55	1,122.55	1,122.55	-
Trade payables	1,198.37	1,198.37	1,198.37	-
Other financial liabilities	529.50	529.50	529.50	-
Lease liability	65.11	65.11	19.52	45.59
	2,915.53	2,915.53	2,869.94	45.59



(iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which the company is exposed to risk are USD, Euro, CAD and Other.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	As at 31 March 2024				As at 31 March 2023			
	USD	Euro	CAD	Other	USD	Euro	CAD	Other
Trade and other receivables	550.96	48.02	27.41	708.14	647.27	103.77	15.11	274.16
Cash and cash equivalents	-	-	-	-	-	-	-	-
Short term borrowings	-	-	-	-	-	-	-	-
Trade and other payables	(574.06)	(31.11)	(24.83)	(3.22)	(708.65)	(26.84)	(7.25)	(15.67)
Net statement of financial position exposure	(23.10)	16.91	2.58	704.92	(61.38)	76.93	7.86	258.49

Sensitivity analysis

A reasonably possible strengthening/weakening of the USD, Euro, CAD and others against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	Profit or loss (before tax)	
	Strengthening	Weakening
31 March 2024		
USD (1% movement)	(0.23)	0.23
Euro (1% movement)	0.17	(0.17)
CAD (1% movement)	0.03	(0.03)
Other (1% movement)	7.05	(7.05)
31 March 2023		
USD (1% movement)	(0.61)	0.61
Euro (1% movement)	0.77	(0.77)
CAD (1% movement)	0.08	(0.08)
Other (1% movement)	2.58	(2.58)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings and floating rate loan given:

	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowings	-	-
Floating rate borrowings	1,026.00	1,122.55
Total borrowings	1,026.00	1,122.55

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2024 would decrease / increase by INR 2.57 million (previous year decrease / increase by INR 2.81 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 26: Segmental Information

Board of Directors of the Company has been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Company has determined pharmaceutical as the only reportable segment.

Information about Geographical segments:

The geographical information analyses the Company's revenue (other than other operating revenue) and non-current assets by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets were based on the geographical location of the assets.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Primary geographical markets		
India	539.44	491.11
Americas and Europe	1,695.96	808.10
Rest of the world	1,471.90	1,713.88
Total	3,707.30	3,013.09
	As at 31 March 2024	As at 31 March 2023
Non-current assets (by geographical location of assets)*		
Within India	5,898.12	6,233.33
	5,898.12	6,233.33

*Non-current assets are excluding financial instruments and deferred tax assets.

Major customers comprising more than 10% of total revenue

	For the year ended 31 March 2024	For the year ended 31 March 2023
Within Group	1,317.78	353.06
Outside group	491.82	1,001.82

Note 27: Capital management

Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

	As at 31 March 2024	As at 31 March 2023
Net debt	1,005.92	1,109.17
Total equity	11,855.86	11,911.16
Net debt to equity ratio	0.08	0.09



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

Note 28: Related Party Disclosures

(i) Name of the Related Parties

Ultimate holding company

Jubilant Pharmova Limited

Holding company

Jubilant Pharma Limited

Fellow subsidiaries (including partnership firm)

Jubilant HollisterStier LLC

Jubilant Biosys Limited

Jubilant Therapeutics India Limited

Jubilant Cadista Pharmaceuticals Inc.

Jubilant DraxImage Inc.

Jubilant Pharma Australia Pty Limited

Jubilant Draximage Limited

Jubilant Pharma SA (Pty) Ltd

Jubilant Business Services Limited

Jubilant Pharma UK Limited

Jubilant HollisterStier General Partnership

Jubilant Pharma ME FZ - LLC

Subsidiary

Jubilant Pharma NV

Associate

Jubilant Pharma Holdings Inc.

Step-down subsidiaries

Jubilant Pharmaceuticals NV

PSI Supply NV

Other entities

Jubilant Enpro Private Limited

Jubilant Bhartia Foundation

Ogaan Retail Pvt. Ltd.

Jubilant Ingrevia Limited

Jubilant Foodworks Limited

Jubilant Life Sciences (Shanghai) Limited

Key Managerial Personnel

Ms. Sudha Pillai (Independent Director) - resigned on 31 March 2024

Mr. Jasdeepsingh Gurdeepsingh Sood (Whole-time Director)

Dr. Jaidev Sanjeev Rajpal (Managing Director & CEO)

Mr. Arvind Chokhany (Director)

Sr. No.	Particulars	For the year ended	For the year ended
	Description of transactions:	31 March 2024	31 March 2023
1	Sales of goods and services:		
	Jubilant Cadista Pharmaceuticals Inc.	406.96	201.19
	Jubilant Pharma Holding Inc.	1.41	151.87
	Jubilant Pharma ME FZ -LLC	28.32	12.84
	Jubilant HollisterStier LLC	43.20	55.27
	PSI Supply NV	86.93	90.82
	Jubilant DraxImage Inc.	24.59	80.72
	Jubilant Pharma UK Ltd	930.68	183.22
	Jubilant Ingrevia Limited	-	0.18
	Jubilant Pharmova Limited	45.04	183.47
	Jubilant Biosys Limited	2.56	-
	Jubilant Therapeutics India Limited	0.28	-
	Jubilant HollisterStier General Partnership	12.86	21.14
	Jubilant Pharma SA (Pty) Ltd	113.72	85.86
		1,696.55	1,066.58



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024

(InR in million unless otherwise stated)

Sr. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
	Description of transactions:		
2	Rental and other expenses:		
	Jubilant Pharmova Limited	11.48	48.57
	Jubilant Ingrevia Limited	-	5.25
		11.48	53.82
3	Purchase of goods and services:		
	Jubilant Pharma Australia PTY LTD	1.63	2.45
	Jubilant Pharmova Limited	330.97	308.20
	Jubilant Biosys Limited	2.51	6.47
	Jubilant Pharma Holding Inc.	16.70	-
	Jubilant Ingrevia Limited	52.04	-
	Jubilant Pharma SA (Pty) Ltd	-	9.40
	Jubilant Pharma UK Ltd	-	12.83
	Jubilant Foodworks Limited	0.44	-
		404.29	339.35
4	Interest income		
	Jubilant Draximage Limited	-	0.23
		-	0.23
5	Sale of merchandise exports from India scheme scrip:		
	Jubilant Ingrevia Limited	2.90	83.75
		2.90	83.75
6	Net assets transferred pursuant to demerger Scheme (Refer note 38)		
	Jubilant Pharmova Limited	-	11,572.49
		-	11,572.49
7	Royalty Income		
	Jubilant Pharma ME FZ -LLC	4.15	-
		4.15	-
8	Recovery of expenses:		
	Jubilant Cadista Pharmaceuticals Inc.	1.76	-
	Jubilant Pharmova Limited	4.34	439.84
	Jubilant DraxImage Inc.	0.81	-
	Jubilant Pharma Limited	0.22	0.10
	Jubilant Business Services Limited	-	2.00
	Jubilant Ingrevia Limited	0.01	0.04
	Jubilant Pharma Holding Inc.	-	12.62
		7.14	454.60
9	Sale of property plant and equipment:		
	Jubilant Cadista Pharmaceuticals Inc.	2.05	33.15
	Jubilant Biosys Limited	-	21.31
	Jubilant DraxImage Inc.	-	22.73
	Jubilant Ingrevia Limited	3.36	-
		5.41	77.19
10	Reimbursement of expenses:		
	Jubilant Pharma Holding Inc.	1.65	96.34
	Jubilant Pharma UK Ltd	-	2.40
	Jubilant Cadista Pharmaceuticals Inc.	10.64	11.04
	Jubilant DraxImage Inc.	0.08	0.27
	Jubilant Pharma SA (Pty) Ltd	0.04	4.09
	Jubilant Pharmova Limited	93.04	55.45
	Jubilant Pharmaceuticals NV	81.31	55.52
	PSI Supply NV	0.32	0.20
	Jubilant Pharma Limited	83.39	81.05
	Jubilant Pharma Australia PTY LTD	1.63	0.58
	Jubilant Enpro Private Limited	3.05	-
	Jubilant Business Services Limited	0.03	-
	Ogaan Retail Pvt. Ltd.	0.04	-
	Jubilant HollisterStier LLC	2.86	-
	Jubilant Ingrevia Limited	-	57.51
	Jubilant Foodworks Limited	-	0.01
		278.08	364.46



Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

Sr. No.	Particulars	As at	
	Description of transactions:	31 March 2024	31 March 2023
11	Donations:		
	Jubilant Bhartiya Foundation	-	18.63
		-	18.63
12	Remuneration and related expenses*:		
	Mr. Jasdeepsingh Gurdeepsingh Sood	19.34	22.54
	Dr. Jaidev Sanjeev Rajpal	121.34	43.11
		140.68	65.65
13	Sitting fees:		
	Ms. Sudha Pillai	0.85	0.19
		0.85	0.19
14	Recovery of payments made on behalf of API:		
	Jubilant Pharmova Limited	2.83	230.19
		2.83	230.19
15	Collections made on behalf of API:		
	Jubilant Pharmova Limited	-	74.36
		-	74.36
16	Rental income		
	Jubilant Pharmova Limited	87.98	63.60
		87.98	63.60
17	Employee benefit transfer:		
	Jubilant Pharmova Limited	34.14	14.27
	Jubilant Ingrevia Limited	0.25	0.53
		34.39	14.80

Sr. No.	Particulars	As at	
	Amount outstandings:	31 March 2024	31 March 2023
18	Trade payables:		
	Jubilant Pharma Australia Pty Ltd	0.96	1.13
	Jubilant DraxImage Inc.	0.40	0.31
	Jubilant Pharmova Limited	293.67	141.37
	Jubilant Pharma Holding Inc.	33.59	113.91
	Jubilant Pharmaceuticals NV	12.96	24.66
	Jubilant Life Sciences (Shanghai) Limited	-	94.86
	Jubilant Pharma SA (Pty) Ltd	-	0.03
	Jubilant HollisterStier LLC	2.86	-
	Jubilant Cadista Pharmaceuticals Inc.	236.66	-
	Jubilant Biosys Limited	2.30	-
	Jubilant Foodworks Limited	0.41	-
	Jubilant Pharma Limited	196.15	111.08
	Jubilant Ingrevia Limited	78.17	55.20
		858.13	542.55
19	Other payables:		
	Jubilant Cadista Pharmaceuticals Inc.	-	425.25
		-	425.25
20	Advance from customers		
	Jubilant Cadista Pharmaceuticals Inc.	28.32	165.09
		28.32	165.09



Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Sr. No.	Particulars	As at	
		31 March 2024	31 March 2023
	Amount outstandings:		
21	Trade receivables:		
	Jubilant Pharma Holding Inc.	-	81.50
	Jubilant Pharma ME FZ -LLC	45.71	12.98
	PSI Supply NV	19.40	100.27
	Jubilant Biosys Limited	-	2.37
	Jubilant Pharma SA (Pty) Ltd	83.03	56.01
	Jubilant Pharma UK Ltd	602.93	187.82
	Jubilant Cadista Pharmaceuticals Inc.	-	136.54
	Jubilant Draximage Inc.	-	12.69
	Jubilant HollisterStier General Partnership	-	3.52
	Jubilant HollisterStier LLC	-	7.27
	Jubilant Pharmova Limited	-	112.91
		751.07	713.88
22	Other receivables:		
	Jubilant Cadista Pharmaceuticals Inc.	239.85	34.46
	Jubilant Biosys Limited	0.10	18.93
	Jubilant Draximage Inc.	0.38	22.54
	Jubilant Pharma Holding Inc.	0.43	0.78
	Jubilant HollisterStier LLC	13.47	0.00
	Jubilant HollisterStier General Partnership	12.79	(0.01)
	Jubilant Pharmova Limited	-	143.49
	Jubilant Therapeutics India Limited	0.25	-
	Jubilant Ingrevia Limited	-	5.85
	Jubilant Pharma Limited	0.24	0.02
		267.51	226.06

* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the company as a whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

Breakup of remuneration to key management personnel were as follows::

	As at 31 March 2024	As at 31 March 2023
Short term employment benefits	69.80	39.66
Post employment benefits	3.37	0.84
Share based payment	67.52	25.15
Sitting fees	0.85	0.19

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Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Note 29: Contingent liabilities to the extent not provided for**(a) Claims against the Company, disputed by the Company, not acknowledged as debt:**

	As at 31 March 2024	As at 31 March 2023
Central Excise	7.83	7.83
Goods and Service Tax	3.71	3.71
Income Tax	221.29	-
Others	132.62	126.80

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

(b) In July 2021, the U.S. Food and Drug Administration ("USFDA") placed the Roorkee facility under import alert, which restricted supplies to the USA from the Roorkee facility. However, subsequent to the USFDA inspection in the current year (completed on 2 February 2024), the inspection classification has been concluded as "VAI" (Voluntary Action Indicated) in April 2024. Based on this inspection and the USFDA VAI classification, the facility is considered to be in acceptable state of compliance with regard to current Good Manufacturing Practices (cGMP). With this, the USFDA has concluded that this inspection is "closed". The Company will continue to take all necessary steps, to ensure continuous quality improvements and ensure cGMP compliance at the Roorkee site.

Note 30: Commitments as at year end**(a) Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account (net of advances) is INR 13.48 million (previous year INR 0.55 million).

(b) Other commitments:

There is no export obligation in the current year (previous year INR 127.39 million) under EPCG scheme to be completed over a period of six years on account of import of Capital Goods at concessional import duty. Export obligation under Advance License Scheme/DFIA scheme on duty free import of specific raw materials, remaining outstanding is INR 44.27 million (previous year INR 3.04 million).

Note 31: Corporate Social Responsibility (CSR) Expense

Particulars	31 March 2024	31 March 2023
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	-	18.63
Details of CSR spent during the period		
a) Construction / acquisition of any asset	-	-
b) On purposes other than (a) above (1)	-	18.63

(1) Included in Donation (Refer note 21 and note 28)

(2) The Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act in the current year.

Note 32: Government grant recoverable INR 11.17 million (Previous year INR 18.15 million) and Government grant recognized INR 67.37 million (Previous year INR 37.19 million) in Statement of Profit and Loss.

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Jubilant Generies Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Note 33: Micro, Small and Medium Enterprises

The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount remaining unpaid to any supplier as at the end of the period	28.72	33.32
The interest due on principal amount remaining unpaid to any supplier as at the end of the period	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
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 period) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

Note 34: Earnings/(Loss) per share

		For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for basic and diluted earnings per share of INR 10 each	INR in million	(55.14)	(1,887.61)
Weighted average no. of shares outstanding during the period	Nos	2,579,665	2,579,665
Basic	INR	(21.37)	(731.73)
Diluted	INR	(21.37)	(731.73)

Note 35: Leases**a) As a lessee:**

Leases under Ind AS 116 for the period ended 31 March 2024

The details of the right-of-use assets held by the Company is as follows:

Description	Operating building	Operating vehicle	Finance vehicle	Total
Gross carrying amount				
Balance as at 1 April 2022	266.13	1.94	11.67	279.74
Additions/adjustments	-	-	2.92	2.92
Deductions/adjustments on account of demerger	(4.94)	-	(1.09)	(6.03)
Deductions/adjustments	(158.90)	-	(3.60)	(162.50)
Balance as at 31 March 2023	102.29	1.94	9.90	114.14
Additions/adjustments	7.47	-	2.53	10.00
Deductions/adjustments	(71.55)	(1.94)	(1.45)	(74.94)
Balance as at 31 March 2024	38.21	-	10.98	49.19
Accumulated amortisation				
Balance as at 1 April 2022	157.12	1.93	5.57	164.62
Addition on account of transition to Ind AS 116	-	-	-	-
Amortisation charge for the period	45.82	0.01	2.33	48.16
Deductions/adjustments on account of demerger (Refer Note 38)	(0.60)	-	(0.43)	(1.03)
Deductions/adjustments	(146.32)	-	(3.60)	(149.92)
Balance as at 31 March 2023	56.02	1.94	3.87	61.84
Addition on account of transition to Ind AS 116	-	-	-	-
Amortisation charge for the period	5.68	-	1.85	7.53
Deductions/adjustments	(33.71)	(1.94)	0.14	(35.51)
Balance as at 31 March 2024	27.99	-	5.86	33.85
Net carrying value as at 31 March 2023	46.27	-	6.04	52.30
Net carrying value as at 31 March 2024	10.22	-	5.12	15.34



Jubilant Generics Limited**Notes to the financial statements for the year ended 31 March 2024**

(INR in million unless otherwise stated)

Amount recognised in Statements of Profit or Loss:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liabilities	2.47	8.12
Rental expense relating to short term leases	1.85	1.37
Total	4.32	9.49

Amount recognised in statement of cash flows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Total cash outflow for leases	(8.88)	(69.39)
Total	(8.88)	(69.39)

b) As a lessor:

The details of assets included in note 3, given on operating lease are as follows:

Particulars	As at 31 March 2024			Lease rent received
	Gross Block	Accumulated Depreciation	Net Block	
Land	374.60	-	374.60	
Building	1,139.08	363.31	775.77	74.56
Total	1,513.68	363.31	1,150.37	74.56

The Company has given its land and building at Nanjangud on lease vide lease deed dated 29 July 2022 to Jubilant Pharmova Limited for the purposes of occupation and to conduct its business with effect from 1 July 2022 for a period of 3 years till 30 June 2025. The deed can be extended for a period of 3 years on mutually agreed terms by way of a fresh deed.

Note 36: The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

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Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2024
(INR in million unless otherwise stated)

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Note 37: Ratios

Ratio	Numerator	Denominator	31 March 2024	31 March 2023	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.16	1.07	9% NA	
Debt-Equity ratio	Total debt = Non-current borrowings (gross of transaction costs) + current borrowings	Total equity	0.09	0.09	(8%) NA	
Debt service coverage ratio	Earnings for debt service = Profit before Debt service - Finance costs + scheduled tax + depreciation and amortisation principal repayments (excluding expense + finance costs + exceptional prepayments) during the year for non-current borrowings (including current maturities) and lease liabilities		8.48	(61.24)	(114%)	Increase in profitability during the year as compared to previous year.
Return on equity ratio	Profit for the year	Average total equity	(0.46%)	(10.12%)	(95%)	Increase in profitability during the year as compared to previous year.
Inventory turnover ratio	Revenue from operations	Average inventory	2.55	0.96	165%	Reduction in inventory during the year as compared to previous year.
Trade receivable turnover ratio	Revenue from operations	Average trade receivable	3.51	2.16	63%	Reduction in trade receivable during the year as compared to previous year.
Trade payable turnover ratio	Net purchases = Gross purchases - Average trade payables purchase return + other expenses net of non cash expenses and donations	Average trade payables	1.67	0.93	79%	Reduction in trade payable during the year as compared to previous year.
Net capital turnover ratio	Revenue from operations	Average working capital = Average (current assets - current liabilities)	11.63	1.46	694%	Decrease in average working capital during the year as compared to previous year
Net profit ratio	Profit for the year	Revenue from operations	(1.45)	(58.99)	(98%)	Increase in profitability during the year as compared to previous year
Return on capital employed	Earnings before interest and taxes = Profit before interest and taxes + net gain/(loss) on sale of investments	Average capital employed = Average (total assets) + net gain/(loss) on sale of investments	(0.42%)	(14.88%)	(97%)	Increase in profitability during the year as compared to previous year
Return on investment	Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income	Average investments	NA	NA	NA NA	



Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

Note 38: The Scheme of Arrangement ("the Scheme") for demerger of the Active Pharmaceuticals Ingredients business undertaking of Jubilant Generics Limited ("JGL") and vesting of the same with the Jubilant Pharmova Limited ("Ultimate Holding Company") on a going concern basis, with an appointed date of 1 April 2022 was approved by Hon'ble National Company Law Tribunal, Allahabad Bench ("the Tribunal") vide its order ("the Order") dated 23 May 2022. The Company had filed the certified copy of the Order from the Tribunal with the Registrar of Companies for registration in terms the requirements under the Companies Act, 2013, to make the Scheme effective.

Scheme of Arrangement for Demerger of the API Undertaking of the Company

The Board of Directors of the Company at its meeting held on 16 July 2021 had approved the Scheme of Arrangement ("Scheme") and subsequently filed with the Tribunal for demerger of the API Undertaking of the Company and vesting of the same with Jubilant Pharmova Limited, on a going concern basis with an appointed date of 1 April 2022. The Scheme was approved by Honourable NCLT, Allahabad Bench ("the Tribunal") vide its order dated 23 May 2022 (formal order received on 13 June 2022). The said NCLT order was filed with the Registrar of Companies registration in terms the requirements under the Companies Act, 2013 by both the Company and Jubilant Pharmova Limited on 1 July 2022 thereby making the Scheme effective on 1 July 2022.

Accounting of the demerger of the API Undertaking as per the approved Scheme:

Upon this Scheme coming into effect on the Effective Date on 1 July 2022, and with effect from the Appointed Date, the Company accounted for the demerger of the API Undertaking in its books of accounts as under:

- (i) The Company reduced the book values of assets and liabilities of the API Undertaking as at the close of business on the day immediately preceding the appointed date of 1 April 2022 in its books of accounts; and
- (ii) the Company made an adjustment equal to the book values of the API Undertaking, first in the Capital Reserve to the extent available, and thereafter residual balance in the Securities Premium under the head "Other Equity".

Note 39: The Company has foreign currency receivables aggregating to INR 167.93 million (previous year INR 55.24 million) which are outstanding for more than nine months as at 31 March 2024 and foreign currency payables aggregating to INR 372.24 million (previous year INR 693.44 million) which are outstanding for more than six months as at 31 March 2024. The Company is in the process of applying to its authorised dealer bank for extension of time for receipt and payment of above mentioned receivables and payables respectively.

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Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2024

(INR in million unless otherwise stated)

Note 40: Additional Information:

- a) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- b) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- c) The Company has not entered any transactions with the companies struck off.
- d) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- e) The Company has complied with the number of layers of companies prescribed under the Companies Act, 2013.
- f) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- g) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h) There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i) The Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.
- j) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- k) The quarterly returns and statement of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Note 41: The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses accounting software for maintaining its books of account, which includes a feature for recording an audit trail (edit log) of all relevant transactions throughout the year. However, the audit trail (edit logs) feature for any direct changes at the database level was not enabled in the accounting software for the period from 01 April 2023 to 30 November 2023. The management implemented the audit trail (edit logs) feature at the database level for all accounting software in the current year effective from 01 December 2023.

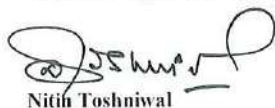
Note 42: No subsequent event occurred post balance sheet date which requires adjustment in the financial statement for the year ended 31 March 2024.

Note 43: The figures of the corresponding previous year have been regrouped wherever considered necessary to correspond to current year disclosure. The impact of such reclassification/regrouping is not material.

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm Registration Number.: 001076N/N500013



Nitin Toshniwal

Partner

Membership No: 507568



Place: Noida

Date: 27 May 2024

For and on behalf of the Board of Directors of

Jubilant Generics Limited


Jasdeep Singh
Gurdeep Singh Sood
Whole-time Director
DIN: 03383578

Place: Noida

Date: 27 May 2024



Dr. Jaidev Sanjeev Rajpal

Managing Director & CEO

DIN: - 09734618

Place: Noida

Date: 27 May 2024

Jubilant Generics Limited
Ind AS Standalone financial statements for the year ended 31 March 2023

Jubilant Generics Limited
Balance Sheet as at 31 March 2023

		INR in million	
	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,615.03	7,445.41
Capital work-in-progress	3	43.59	642.99
Goodwill	4	-	1,371.36
Other intangible assets	4	192.57	284.86
Intangible assets under development	4	2,298.91	3,346.89
Right of use assets	37	52.30	115.12
Financial assets			
i. Investments	5(a)	4,055.00	4,055.00
ii. Loans	5(b)	1.25	3,255.39
iii. Others	5(c)	17.01	44.63
Deferred tax assets (net)	6	1,573.51	1,087.81
Income tax assets (net)		12.68	2.90
Other non-current assets	7	-	17.62
Total non-current assets		11,861.85	21,669.98
Current assets			
Inventories	8	1,629.74	5,014.03
Financial assets			
i. Trade receivables	5(d)	1,040.88	1,927.08
ii. Cash and cash equivalents	5(e)	9.55	5.46
iii. Other bank balances	5(f)	3.60	3.83
iv. Loans	5(b)	0.06	7.22
v. Other financial assets	5(g)	260.31	870.96
Other current assets	9	525.97	1,136.61
Total current assets		3,470.11	8,965.19
Total assets		15,331.96	30,635.17

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Jubilant Generics Limited
Balance Sheet as at 31 March 2023

		INR in million	
	Notes	As at 31 March 2023	As at 31 March 2022
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10(a)	25.80	25.80
Other equity		11,885.36	25,350.54
Total equity		11,911.16	25,376.34
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease Liabilities	11(b)	45.59	71.47
Provisions	13	75.00	313.53
Other non-current liabilities	12 (a)	46.80	61.01
Total non-current liabilities		167.39	446.01
Current liabilities			
Financial liabilities			
i. Borrowings	11(a)	1,122.55	640.00
ii. Lease Liabilities	11(b)	19.52	65.56
iii. Trade payables	11(c)		
Total outstanding dues of micro enterprises and small enterprises		33.32	33.11
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,165.05	2,394.73
iv. Other financial liabilities	11(d)	529.50	685.99
Other current liabilities	12 (b)	300.59	894.58
Provisions	13	82.88	93.05
Current tax liabilities (net)		-	5.80
Total current liabilities		3,253.41	4,812.82
Total liabilities		3,420.80	5,258.83
Total equity and liabilities		15,331.96	30,635.17

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co, LLP

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022



Manish Gupta

Partner

Membership No: 095037

Place: Noida

Date: 29 May 2023

For and on behalf of the Board of Directors of
Jubilant Generics Limited



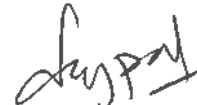
Jasdeep Singh
Gurdeep Singh Sood

Whole-time Director

DIN: 03383578

Place : Noida

Date: 26 May 2023



Dr. Jaidev Sanjeev
Rajpal

Managing Director
& CEO

DIN: - 09734618

Place : Noida

Date: 26 May 2023

Jubilant Generics Limited
Statement of Profit and Loss for the year ended 31 March 2023

		INR in million	
	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
CONTINUING OPERATIONS			
Revenue from operations	14	3,199.65	6,724.23
Other income	15	66.57	88.06
Total income		3,266.22	6,812.29
Expenses			
Cost of materials consumed	16	912.56	1,975.57
Purchases of stock-in-trade		133.14	111.04
Changes in inventories of finished goods, stock-in-trade and work-in-progress	17	38.89	(30.61)
Employee benefits expense	18	1,336.00	1,198.72
Finance costs	19	15.78	24.57
Depreciation, amortisation and impairment expense	20	1,741.74	840.95
Other expenses	21	1,812.01	2,535.83
Total expenses		5,990.12	6,656.08
(Loss)/Profit before tax		(2,723.90)	156.21
Tax expense/(benefits)	22		
- Current tax		0.01	34.45
- Deferred tax charge/(credit)		(836.30)	17.35
Total tax (benefits)/expense		(836.29)	51.81
(Loss)/Profit for the year from continuing operations		(1,887.61)	104.40
DISCONTINUED OPERATIONS			
Profit from discontinued operations	40	-	24.72
Tax expense/(benefits) of discontinued operations	40		
- Current tax		-	6.19
- Deferred tax charge/(credit)		-	(1.37)
Profit after tax of discontinued operations		-	19.90
(Loss)/Profit for the year		(1,887.61)	124.30
Other comprehensive income/(loss)			
a) In respect of continuing operations			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement of defined benefit obligations		(7.81)	5.05
Income tax relating to items that will not be reclassified to profit or loss	22	2.73	(1.75)
Other comprehensive income for the year, net of tax		(5.08)	3.30
b) In respect of discontinued operations			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement of defined benefit obligations		-	8.58
Income tax relating to items that will not be reclassified to profit or loss	22	-	(3.01)
Other comprehensive income for the year, net of tax		-	5.58
Total other comprehensive income/(loss)		(5.08)	8.87
Total Comprehensive Income/(Loss)			
In respect of continuing operations		(1,892.69)	107.70
In respect of discontinued operations		-	25.47
Total comprehensive income/(loss)		(1,892.69)	133.17

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Jubilant Generics Limited
Statement of Profit and Loss for the year ended 31 March 2023

	Notes	As at 31 March 2023	INR in million As at 31 March 2022
Total comprehensive income/(loss)		(1,892.69)	133.17
(Loss)/Earning per equity share of INR 10 each (for continuing operations)	36		
Basic (INR)		(731.73)	40.47
Diluted (INR)		(731.73)	40.47
Earning per equity share of INR 10 each (for discontinued operations)	36		
Basic (INR)		-	7.71
Diluted (INR)		-	7.71
(Loss)/Earning per equity share of INR 10 each (for continuing and discontinued operations)	36		
Basic (INR)		(731.73)	48.18
Diluted (INR)		(731.73)	48.18

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022



Manish Gupta

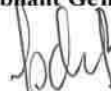
Partner

Membership No: 095037

Place: Noida

Date: 29 May 2023

**For and on behalf of the Board of Directors of
Jubilant Generics Limited**




Jasdeep Singh
Gurdeep Singh Sood
Whole-time Director

DIN: 03383578

Place : Noida

Date: 26 May 2023



Dr. Jaidev Sanjeev
Rajpal
Managing Director
& CEO

DIN: - 09734618

Place : Noida

Date: 26 May 2023

Jubilant Generics Limited
Statement of Changes in Equity for the year ended 31 March 2023

a) Equity share capital

	INR in million
Balance as at 1 April 2021	25.80
Issue of equity shares	-
Balance as at 31 March 2022	25.80
Issue of equity shares	-
Balance as at 31 March 2023	25.80

(b) Other Equity (I)

INR in million

	Reserves and surplus			Total reserves and surplus and other comprehensive income	Total other equity
	Capital reserve	Securities premium	Retained earnings		
As at 1 April 2021	3,512.42	15,572.04	6,132.91	25,217.37	25,217.37
Profit for the year	-	-	124.30	124.30	124.30
Other comprehensive income	-	-	8.87	8.87	8.87
Total comprehensive income for the year	-	-	133.17	133.17	133.17
As at 31 March 2022	3,512.42	15,572.04	6,266.08	25,350.54	25,350.54
Profit / (Loss) for the year	-	-	(1,887.61)	(1,887.61)	(1,887.61)
Adjustments on account of demerger (Refer note 40)	(3,512.42)	(8,060.07)	-	(11,572.49)	(11,572.49)
Other comprehensive income	-	-	(5.08)	(5.08)	(5.08)
Total comprehensive income for the year	(3,512.42)	(8,060.07)	(1,892.69)	(13,465.18)	(13,465.18)
As at 31 March 2023	-	7,511.97	4,373.39	11,885.36	11,885.36

(I) Refer note 10(b) for nature and purpose of other equity

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022



Manish Gupta
Partner

Membership No: 095037

Place: Noida

Date: 29 May 2023

For and on behalf of the Board of Directors of
Jubilant Generics Limited



Jasdeep Singh
Gurdeep Singh Sood
Whole-time Director

DIN: 03383578

Place : Noida

Date: 26 May 2023



Dr. Jaidev Sanjeev
Rajpal
Managing Director
& CEO

DIN: - 09734618

Place : Noida

Date: 26 May 2023

Jubilant Generics Limited
Statement of Cash Flows for the Year ended 31 March 2023

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flows from operating activities		
(Loss) / Profit before tax from continuing operations	(2,723.90)	156.22
Profit before tax from discontinued operations	-	24.71
(Loss) / Profit before tax	(2,723.90)	180.93
Adjustments :		
Depreciation and amortisation expense	1,741.74	1,147.58
(Gain)/loss on sale/disposal/discard of property, plant and equipment (net)	3.35	(83.24)
Finance costs	15.78	25.98
Unrealised foreign exchange (Gain) / loss	(4.29)	35.63
Allowance for expected credit loss	27.78	24.72
Interest income	(0.08)	(203.61)
Operating cash flows before working capital changes	(939.62)	1,127.99
Decrease / (Increase) in trade receivables, loans, other financial assets	517.61	(467.41)
Decrease / (Increase) in inventories	152.46	(523.73)
Increase / (Decrease) in trade payables, other financial liabilities, other liabilities and provisions	137.25	(158.84)
Cash generated from operations	(132.30)	(21.99)
Income tax paid (net of refunds)	(15.58)	(76.19)
Net cash (used)/generated from operating activities	(147.88)	(98.18)
B. Cash flows from investing activities		
Purchase of property, plant and equipment, other intangible assets (including capital work-in-progress and intangible assets under development)	(366.84)	(684.24)
Proceeds from sale of property plant and equipment	158.09	152.05
Investment in deposits	-	52.72
Loan repaid by fellow subsidiaries	7.00	-
Interest received	17.48	200.64
Net cash used in investing activities	(184.27)	(278.83)
C. Cash flows from financing activities #		
Proceeds from short term borrowings (net of repayments)	482.55	439.99
Finance costs paid	(76.77)	(38.19)
Payment of lease liabilities	(69.39)	(67.23)
Net cash generated/(used in) from financing activities	336.39	334.57
Net (decrease) in cash and cash equivalents (A+B+C)	4.24	(42.44)
Add: cash and cash equivalents at the beginning of year	5.46	47.90
Cash and cash equivalents transferred pursuant to demerger (Refer note 40)	(0.15)	-
Cash and cash equivalents at the end of the year (refer note 5(c))	9.55	5.46

Refer note 11(b) for changes in liabilities arising from financing activities.

Note:

- Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
- Bank balances of INR 3.83 million (Previous year INR 3.83 million) has restricted use.
- During the year, the Company paid in cash INR 18.63 million (previous year INR 30.55 million) towards corporate social responsibility (CSR) expenditure (included in donation refer note 33).
- For non-cash transaction pursuant to demerger, refer note-40

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022



Manish Gupta
 Partner

Membership No: 095037

Place: Noida

Date: 29 May 2023


For and on behalf of the Board of Directors of
 Jubilant Generics Limited


**Jasdeepsingh
 Gurdeepsingh Sood**
 Whole-time Director

DIN: 03383578

Place : Noida

Date: 26 May 2023


**Dr. Jaidev Sanjeev
 Rajpal**
 Managing Director
 & CEO

DIN: - 09734618

Place : Noida

Date: 26 May 2023

1. Corporate Information

Jubilant Generics Limited ("the Company") is a public limited company domiciled in India and incorporated on 25 November 2013 under the provisions of Companies Act, 1956. The Company is incorporated to engage in the manufacture and supply of Generics (including Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations). The registered office of the Company is situated at Plot No 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh 201301. During the year 2020, the Company acquired the India Branded Pharmaceuticals ("IBP") business from Jubilant Pharmova Limited, erstwhile Jubilant Life Sciences Limited, which is a formulations business that caters to the Indian market.

The Scheme of Arrangement ("the Scheme") for demerger of the Active Pharmaceuticals Ingredients business undertaking of Jubilant Generics Limited ("JGL") and vesting of the same with the Jubilant Pharmova Limited (Ultimate Holding Company) on a going concern basis, with an appointed date of 1 April 2022 was approved by Hon'ble National Company Law Tribunal, Allahabad Bench ("the Tribunal") vide its order ("the Order") dated 23 May 2022 (formal order received on 13 June 2022). The Company has filed the certified copy of the Order from the Tribunal with the Registrar of Companies on 1 July 2022 for registration in terms the requirements under the Companies Act, 2013 and therefore the Scheme is effective with effect from 1 July 2022.

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation*(i) Statement of compliance*

These Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

All the amounts included in the financial statements are reported in millions of Indian Rupees and are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements are authorized for issue by the Company's Board of Directors on 26 May, 2023.

In accordance with Rule 6 of the Companies (Accounts) Rules, 2014, the Company does not prepare consolidated financial statements.

(ii) Historical cost convention

The standalone financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified a period of less than twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

(c) Business Combinations

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognised in the Statement of Profit or Loss and Other Comprehensive Income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities & contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the

consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(d) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

(ii) Intangible assets

• *Goodwill*

Goodwill arising on business combinations is disclosed in the Balance sheet and is carried at cost less accumulated impairment losses.

Internally generated goodwill is not recognised as an asset.

With regard to other internally generated intangible assets:

- Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
- Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner

as in the case of PPE). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

- Intangible assets that are acquired (including implementation of software system) are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of PPE as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Motor vehicles (Vehicle -Owned)	5 years	8 years
Computer servers and networks (included in office equipment)	5 years	6 years
Dies and punches for manufacture of dosage formulations	1-2 years	15 years
Change parts for manufacture of dosage formulations	5 years	15 years
Employee perquisite related assets (except end user computers) (included in office equipment)	5 years, being the period of perquisite scheme	10 years
Leasehold improvements	10 years	Period of lease

Leasehold land which qualifies as finance lease is amortised over the lease period on straight line basis.

The estimated useful lives of intangibles are as follows:

Internally generated product registration	5 years
Rights	5 years
Software	5 years

Depreciation and amortization on property, plant and equipment and intangible assets added/ disposed of during the year has been provided on pro-rata basis.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

Property, plant and equipment and intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or

losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

(e) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Once classified as held for sale, property, plant and equipment and intangible assets are no longer depreciated or amortised.

A discontinued operation is a component of the Company's business that has been disposed-off or is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

(f) Impairment of non-financial assets

Goodwill, intangible assets that have an indefinite useful life and intangible assets under development are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. The company's other non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount

that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in subsidiaries and an associate

Investments in subsidiaries and an associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those

are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign-exchange forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(h) Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable. The cost of work in progress and manufactured finished goods include an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(i) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(j) Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(k) Revenue recognition

Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognized over the period over which the company satisfies the underlying performance obligations. In respect of outsourcing contracts for drug development with third party Clinical Research Organization (CRO), revenue is recognized on the basis of actual cost incurred plus mark up as agreed with the customer under each agreement.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as Goods and services tax (GST), sales tax, excise duty, value added tax and applicable discounts and allowances including expected sales return etc. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels etc.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

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

Interest income is recognised using the effective interest method.

(l) Employee benefits

(i) *Short-term employee benefits:* All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) *Post-employment benefits:* Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment.

(b) Provident fund

(i) The Company earlier made contribution to the recognised provident fund - "VAM Employees Provident Fund Trust" (a multi-employer trust) for most of its employees in India. During the previous year, the Company transferred the balance in VAM Employees Provident Fund Trust to Regional Provident Fund Commissioner and started making contribution with Regional Provident Fund Commissioner for all the qualified employees with effect from 1 December 2021. This is treated as a defined contribution plan.

The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(ii) Other long-term employee benefits:

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iii) Termination benefits:

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Actuarial valuation

The liability in respect of all defined benefit plans and other long term benefits at the end of the financial year is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurment gains and losses are recognised in the Statement of Profit and Loss in the period in which they arise. Remeasurment gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from

plan amendments or curtailments are recognised immediately in the Statement of profit and loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit or Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced)

(m) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

• **Current tax:**

- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.
- Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

• **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries and an associate, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(o) Leases

(i) Leases – Company as a lessor

The Company, as a Lessor, presents assets subject to operating leases in the balance sheet according to the nature of the asset.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term as per the agreed lease rentals, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

(ii) Leases – Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

The Company's lease asset classes primarily consist of leases for Land, buildings and vehicles which typically run for a period of 3 to 10 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease

liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statements of Profit or Loss and Other Comprehensive Income.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(p) Segment reporting

Board of Directors of the Company had been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Company has determined pharmaceutical as the only reportable segment.

(q) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the

dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at Balance Sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(r) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(u) Critical estimates and judgments

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

- Assessment of useful life of property, plant and equipment and intangible assets – Note 2(d)
- Valuation of inventories – Note 2(h)
- Recognition of revenue – Note 2(k)
- Fair value measurement – Note 2(t) and 25
- Estimation of assets and obligations relating to employee benefits – Note 2(e) and 24
- Recognition and estimation of tax expense including deferred tax – Note 2(n), 6 and 22

- Estimated impairment of financial assets and non-financial assets – Note 2(f) and 2(g)
 - Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 30
 - Lease term: whether the Company is reasonably certain to exercise extension options – Note 2(o) and 37
- (v) The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company, as at the date of approval of these financial statements, has used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
- (w) **Recent accounting pronouncements:**
- Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:
- Ind AS 1 – Presentation of Financial Statements – Disclosure of Accounting Policies**
The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company is in the process of evaluating the impact of the amendment.
- Ind AS 12 – Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction**
The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is in the process of evaluating the impact of the amendment.
- Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates**
The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company is in the process of evaluating the impact of the amendment.

Jubilant Generics Limited

Notes to the financial statements for the year ended 31 March 2023

3. Property, plant and equipment and capital work-in-progress

INR in million								
Description	Land-freehold	Building-factory	Building-Other equipment	Plant and equipment	Furniture and fixtures	Vehicles-owned	Office equipment	Capital work-in-progress (CWIP)
Gross carrying value as at 1 April 2022	597.83	1,672.32	296.20	8,237.19	280.66	11.79	297.71	642.99
Additions/adjustments (3)	-	58.70	7.18	297.23	10.67	-	30.33	164.35
Adjustments on account of demerger (Refer note 40)	-	-	-	(5,560.16)	(64.15)	(3.09)	(132.79)	(351.97)
Deductions/adjustments	-	-	-	(302.56)	(3.28)	(1.13)	(21.54)	(411.78)
Gross carrying value as at 31 March 2023	597.83	1,731.02	303.38	2,671.70	223.90	7.57	173.71	43.59
Accumulated depreciation as at 1 April 2022	-	342.00	55.44	3,221.08	138.59	1.29	189.89	-
Depreciation charge for the year	-	60.70	8.76	237.24	9.67	2.23	33.38	-
Adjustments on account of demerger (Refer note 40)	-	-	-	(1,891.41)	(35.01)	(2.40)	(87.94)	-
Deductions/adjustments	-	-	-	(170.20)	(2.23)	(0.73)	(16.27)	-
Accumulated depreciation as at 31 March 2023	-	402.70	64.20	1,396.71	111.02	0.39	119.06	-
Net carrying value as at 31 March 2023	597.83	1,328.32	239.18	1,274.99	112.88	7.18	54.65	43.59

INR in million								
Description	Land-freehold	Building-factory	Building-Other equipment	Plant and equipment	Furniture and fixtures	Vehicles-owned	Office equipment	Capital work-in-progress (CWIP)
Gross carrying value as at 1 April 2021	597.83	1,656.82	296.07	7,938.50	273.22	3.96	275.44	287.01
Additions/adjustments (3)	-	15.50	0.13	355.57	8.43	11.30	29.58	776.49
Deductions/adjustments	-	-	-	(56.88)	(0.99)	(3.47)	(7.31)	(420.51)
Gross carrying value as at 31 March 2022	597.83	1,672.32	296.20	8,237.19	280.66	11.79	297.71	642.99
Accumulated depreciation as at 1 April 2021	-	282.10	39.98	2,733.89	116.67	2.37	150.17	-
Depreciation charge for the year	-	59.90	15.46	520.79	22.85	2.32	44.34	-
Deductions/adjustments	-	-	-	(33.60)	(0.93)	(3.40)	(4.62)	-
Accumulated depreciation as at 31 March 2022	-	342.00	55.44	3,221.08	138.59	1.29	189.89	-
Net carrying value as at 31 March 2022	597.83	1,330.32	240.76	5,016.11	142.07	10.50	107.82	642.99

Notes:

- (1) Refer note 31(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (2) Refer note 19 for finance costs capitalised.
- (3) Includes INR 11.99 million in respect of research and development assets (previous year INR 68.54 million).
- (4) Capital research and development expenditure aggregating to INR 13.75 million (previous year INR 64.18 million) incurred during the year included in additions to property plant & equipment/ capital work-in-progress.

Ageing detail of Tangible capital work-in-progress as at 31 March 2023 is as follows:

Particulars	Amount in capital work-in-progress for a period of				INR in million
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in progress	11.20	2.35	1.91	28.13	43.59

Ageing detail of Tangible capital work-in-progress as at 31 March 2022 is as follows:

Particulars	Amount in capital work-in-progress for a period of				INR in million
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in progress	501.11	60.12	56.15	25.61	642.99

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan.

4. Goodwill, other intangible assets and intangible assets under development

Description	Goodwill	Internally generated product registration/ market authorisation (a)	Rights (b)	Software (c)	Total (a+b+c)	Intangible assets under development
Gross carrying value as at 1 April 2022	1,371.36	2,729.84	15.81	293.54	3,039.19	3,346.89
Additions/adjustments (1)	-	57.96	-	13.19	71.15	212.32
Adjustments on account of demerger (Refer Note 40)	(1,371.36)	-	-	(16.11)	(16.11)	-
Impairment for the year (4)	-	-	-	-	-	(1,202.34)
Deductions/adjustments (3)	-	(177.46)	-	(2.32)	(179.78)	(57.96)
Gross carrying value as at 31 March 2023	-	2,610.34	15.81	288.30	2,914.45	2,298.91
Accumulated amortisation / impairment as at 1 April 2022	-	2,491.56	15.81	246.96	2,754.33	-
Amortisation/impairment for the year	-	129.50	-	13.24	142.74	-
Adjustments on account of demerger (Refer Note 40)	-	-	-	(6.15)	(6.15)	-
Deductions/adjustments (3)	-	(166.91)	-	(2.13)	(169.04)	-
Accumulated amortisation/impairment as at 31 March 2023	-	2,454.15	15.81	251.92	2,721.88	-
Net carrying value as at 31 March 2023	-	156.19	-	36.38	192.57	2,298.91

INR in million

Description	Goodwill	Internally generated product registration/ market authorisation (a)	Rights (b)	Software (c)	Total (a+b+c)	Intangible assets under development
Gross carrying value as at 1 April 2021	1,371.36	2,725.22	15.81	275.90	3,016.93	3,568.33
Additions/adjustments (1)	-	67.76	-	17.64	85.40	378.39
Impairment for the year (4)	-	-	-	-	-	(156.37)
Deductions/adjustments (3)	-	(63.14)	-	-	(63.14)	(443.46)
Gross carrying value as at 31 March 2022	1,371.36	2,729.84	15.81	293.54	3,039.19	3,346.89
Accumulated amortisation / impairment as at 1 April 2021	-	2,286.11	15.81	192.84	2,494.76	-
Amortisation/impairment for the year	-	225.88	-	54.12	280.00	-
Deductions/adjustments (3)	-	(20.43)	-	-	(20.43)	-
Accumulated amortisation/impairment as at 31 March 2022	-	2,491.56	15.81	246.96	2,754.33	-
Net carrying value as at 31 March 2022	1,371.36	238.28	-	46.58	284.86	3,346.89

Ageing detail of Intangible capital work-in-progress as at 31 March 2023 is as follows:

INR in million

Particulars	Intangible capital work-in-progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	112.26	138.03	179.49	1,869.13	2,298.91

Ageing detail of Intangible capital work-in-progress as at 31 March 2022 is as follows:

INR in million

Particulars	Intangible capital work-in-progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	249.38	298.15	441.26	2,358.10	3,346.89

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan.

Notes:

- (1) Represents INR 57.96 million (previous year INR 67.76 million) in respect of research and development assets.
- (2) Capital research and development expenditure aggregating to INR 212.32 million (previous year INR 378.39 million) incurred during the year included in additions to Intangible assets/Intangible assets under development.
- (3) During the year, the goodwill has been transferred as part of demerger (Refer Note 40). During the previous year, goodwill was evaluated for the purposes of impairment testing. The recoverable amount of the cash generating unit was based on its value in use. The value in use of these units was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carrying amount.

During the previous year, value in use for goodwill was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

- i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.

ii. The terminal growth rate of 0.5% was considered for all periods presented, representing management view on the future long-term growth rate.

iii. Discount rate of 11.21% was considered for all periods presented, in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and industry's weighted average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

- (4) The carrying value of internally generated product registration and other intangibles (including intangible assets under development) is reviewed annually and was last reviewed on 31 March 2023. Based on changed market conditions, recalibrated approach for development of intangibles that stringently evaluates all new developments and prioritize intangibles under development based on technical and financial assessment, INR 1202.34 million (previous year INR 156.37 million) had been charged off during the year ended 31 March 2023 and included under depreciation and amortization expense in the Statement of Profit and Loss.

The Company's process involves significant judgments in estimating the future revenues, expected cost to complete the development and estimating the recoverable amount. The recoverable amount arrived at is the value in use estimated by management. Based on various internal and externally available data, the Company has also taken into consideration various factors such as current import alert placed by the USFDA at the Roorkee facility, number of competitors, future revenues and margins etc. The estimate of value in use was determined by applying discount rate of 12.90% (previous year 11.21%) on the expected future cash flows estimated considering following:

- Cash flows for a period of 10 years by continuing use of the asset considering possible variations and uncertainties and necessary growth or decline
- Net cash flows, if any, to be received or paid at the end of its useful life

Further, the company has sold intangibles under development amounting INR Nil (previous year INR 375.70 million) to its fellow subsidiary Jubilant Cadista Pharmaceuticals Inc.

- (5) Refer Note 19 for finance costs capitalized

5(a) Non-current investments

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Investment in equity shares (at cost)		
Unquoted investment (fully paid up)		
(A) Subsidiary:		
Jubilant Pharma NV	965.00	965.00
[13,900,000 (Previous year 13,900,000) equity shares of face value Euro 1 per share]		
(B) Associate:		
Jubilant Pharma Holdings Inc.	3,090.00	3,090.00
[200 (Previous year 200) equity shares with no par value]		
Total non-current investments	4,055.00	4,055.00
Aggregate amount of unquoted investments	4,055.00	4,055.00

5(b) Loans

	INR in million			
	As at		As at	
	31 March 2023		31 March 2022	
	Current	Non- current	Current	Non- current
Unsecured, considered good				
Loan to related parties (Refer Note 29)	-	-	7.00	3,250.00
Loan to employees	0.06	1.25	0.22	5.39
Total loans	0.06	1.25	7.22	3,255.39

5(c) Others

	INR in million			
	As at		As at	
	31 March 2023		31 March 2022	
	Current	Non- current	Current	Non- current
Deposits accounts with maturity more than twelve months from the reporting date- held as margin money	-	0.23	-	-
Security deposits	-	16.78	-	44.63
Total others	-	17.01	-	44.63

5(d) Trade receivables

	INR in million	
	As at	As at
	31 March 2023	31 March 2022
Unsecured and current		
Trade receivables considered good	327.00	1,343.84
Receivables from related parties (Refer note 29)	713.88	583.24
Trade receivables - credit impaired	52.57	33.90
Less: Expected credit loss allowance (Refer note 26)	(52.57)	(33.90)
Total trade receivables	1,040.88	1,927.08

Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2023

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for the following periods from due date of payment						INR in million
	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Trade receivables							
Undisputed Trade Receivable - Considered Good	356.46	489.43	137.19	49.09	1.91	0.03	1034.11
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	0.59	0.64	2.31	44.36	1.73	0.03	49.66
Disputed trade receivables – considered good	-	-	3.62	-	0.43	2.72	6.77
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	0.06	-	0.39	2.46	2.91
	357.05	490.07	143.18	93.45	4.46	5.24	1093.45
Less: Allowance for doubtful trade receivables							(52.57)
							1040.88

Ageing for trade receivables outstanding as at March 31, 2022 is as follows:

Particulars	Outstanding for the following periods from due date of payment						INR in million
	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Trade receivables							
Undisputed Trade Receivable - Considered Good	1,311.65	352.74	238.40	17.30	0.47	2.15	1,922.71
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	24.46	5.89	0.51	0.24	0.11	1.06	32.27
Disputed trade receivables – considered good	-	-	-	0.81	0.48	3.08	4.37
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	0.01	0.11	1.51	1.63
	1336.11	358.63	238.91	18.37	1.17	7.80	1960.98
Less: Allowance for doubtful trade receivables							(33.90)
							1927.08

5(e) Cash and cash equivalents

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- in current accounts	9.44	5.23
Cash on hand	-	0.11
Others		
- imprest	0.11	0.12
Total cash and cash equivalents	9.55	5.46

5 (f) Other bank balance

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Deposits accounts with maturity up to twelve months from the reporting date- held as margin money	3.60	3.83
Total other bank balance (1)	3.60	3.83

(1) These have restricted use

5(g) Other current financial assets

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Advances recoverable from related parties	226.06	669.74
Interest receivable from related parties	-	16.91
Insurance claim recoverable	0.80	131.74
Contract asset	27.22	38.92
Interest receivable	0.70	2.51
Others	5.53	11.14
Total other financial assets	260.31	870.96

6. Deferred tax

Deferred income tax reflects the net tax effects of temporary differences between the carrying amount of asset and liabilities for financial reporting purposes and the amount used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

The balance comprises temporary differences attributable to:

Deferred tax assets

	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	Tax losses carried forward	MAT Credit Entitlement	Intangibles	Lease Liability	Others	Total
As at 1 April 2021	111.06	33.59	791.13	1588.81	320.79	49.81	23.86	2919.05
(Charged)/Credited:								
- to statement of profit and loss	4.93	3.13	(29.91)	40.46	(85.90)	(16.57)	5.15	(78.71)
- to Other comprehensive income	(4.76)	-	-	-	-	-	-	(4.76)
As at 31 March 2022	111.23	36.72	761.22	1629.27	234.89	33.24	29.01	2935.58
Transferred in Demerger	(61.02)	(12.30)	(350.22)	(749.60)	0.00	(1.37)	(5.24)	(1,179.77)
(Charged)/Credited:								
- to statement of profit and loss	(11.18)	8.59	636.87	(13.59)	(64.43)	(21.66)	7.89	542.49
- to Other comprehensive income	(2.73)	-	-	-	-	-	-	(2.73)
As at 31 March 2023	36.30	33.01	1047.87	866.08	170.46	10.21	31.66	2195.59

The balance comprises temporary differences attributable to:

Deferred tax liabilities:

	PPE, Intangibles and Right of use assets	Difference in tax value and book value of R&D CWIP/ Intangible and Intangibles under development	Others	Total
As at 1 April 2022	996.22	810.11	4.17	1,810.50
(Charged)/Credited:				
- to statement of profit and loss	3.25	(62.04)	(3.94)	(62.73)
As at 31 March 2022	999.47	748.07	0.23	1,747.77
Transferred in Demerger (Refer note 40)	(826.42)	-	-	(826.42)
(Charged)/Credited:				
- to statement of profit and loss	(23.28)	(275.99)	-	(299.27)
As at 31 March 2023	149.77	472.08	0.23	622.08

Reflected in the Balance Sheet as follows:

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Deferred tax assets, net:	2195.59	2835.58
Deferred tax liabilities:	622.08	1747.77
Deferred tax assets, net:	<u>1,573.51</u>	<u>1,087.81</u>

Deferred tax has not been recognized on temporary differences in relation to indexation benefit of investment in subsidiaries and freehold land amounting to INR 358.18 million (previous year INR 303.08 million) and INR 52.80 million (previous year INR 44.68 million) respectively, as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

Reconciliation of deferred tax assets (net):

	INR in million	
	As at 31 March 2023	As at 31 Mar 2022
Balance as at the commencement of the year	1,087.81	1,108.55
Amount transferred in Demerger	(353.34)	-
Credit/ (Expense) during the year recognised in statement of profit and loss (including MAT)	836.31	(15.98)
Credit during the year recognised in Capital Reserve	-	-
Credit during the year recognised in OCI	2.73	(4.76)
Balance as at the end of the year	<u>1,573.51</u>	<u>1,087.81</u>

7. Other non-current assets

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Capital advances	-	17.62
Total other non-current assets	<u>-</u>	<u>17.62</u>

8. Inventories

	INR in million	
	As at	As at
	31 March 2023	31 March 2022
Raw materials*	645.72	1,555.20
Work-in-progress	301.74	2,074.26
Finished goods*	307.00	798.74
Traded goods	57.54	50.40
Stores and spares	243.56	439.77
Packing material	71.68	82.29
Others- process chemicals and fuels	2.50	13.37
Total inventories	1,629.74	5,014.03

*Goods in transit, included in above

	INR in million	
	As at	As at
	31 March 2023	31 March 2022
Raw materials	11.39	139.17
Finished goods	-	256.02
Total inventories	11.39	395.19

Total write down of inventories recognised during the year	257.75	438.77
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Cost of inventories (including cost of purchased products) recognised as an expense amounted to INR 3,032.66 million (previous year INR 2,159.81 million).

9. Other current assets

	INR in million	
	As at	As at
	31 March 2023	31 March 2022
Prepaid expenses	93.81	164.07
Recoverable from/ balance with government authorities	327.84	787.06
Advance to employees	2.45	9.16
Advance for supply of goods and services	49.47	162.18
Others	52.40	14.14
Total other current assets	525.97	1,136.61

10. Equity share capital and other equity

10(a) Equity share capital

	INR in million	
	As at	As at
	31 March 2023	31 March 2022
Authorised		
3,000,000 (Previous year 3,000,000) equity shares of INR 10 each	30.00	30.00
	30.00	30.00
Issued and subscribed		
2,579,665 (Previous year 2,579,665) equity shares of INR 10 each	25.80	25.80
	25.80	25.80
Paid up		
2,579,665 (Previous year 2,579,665) equity shares of INR 10 each	25.80	25.80
	25.80	25.80

Movements in equity share capital

	As at 31 March 2023		As at 31 March 2022	
	Number	INR in million	Number	INR in million
At the commencement of the year	2,579,665	25.80	2,579,665	25.80
At the end of the year	2,579,665	25.80	2,579,665	25.80

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of INR 10 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the company

At commencement and end of the year	As at 31 March 2023		As at 31 March 2022	
	Number	% of total shares	Number	% of total shares
Equity shares of INR10 each fully paid-up held by Jubilant Pharma Limited, Singapore - the holding company (including 6 shares held jointly with 6 individuals)	2,579,665	100%	2,579,665	100%

Disclosure of shareholding of promoters:

At commencement and end of the year	As at 31 March 2023		As at 31 March 2022	
	Number	% of total shares	Number	% of total shares
Equity shares of INR10 each fully paid-up held by Jubilant Pharma Limited, Singapore - the holding company (including 6 shares held jointly with 6 individuals)	2,579,665	100%	2,579,665	100%

10(b) Other equity

Nature and purpose of other equity

Capital reserve

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently. Represents difference between the consideration and carrying amount of net assets/liabilities for transactions among entities under common control to transfer out/in of any business or shares of entities under common control.

Securities premium

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilized in accordance with the provisions of the Act.

Retained Earnings

Retained earnings represent the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.

11(a) Current borrowings

	INR in million	
	As at 31 March 2023	As at 31 March 2022
From banks		
Secured (repayable on demand/short tenor loans)	1,122.55	640.00
Total current borrowings	1,122.55	640.00

Notes:

1. Working capital facilities (including cash credit) sanctioned by consortium of banks are secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts, receivables and inventories, both present and future, of the Company.
2. Short-term loans are availed in Indian rupees. Indian rupee loans carry interest rate ranging from 4.04% to 8.75% p.a. (Previous year interest rate ranging from 3.62% to 7.75% p.a.).
3. Inventory and Trade receivables with a carrying amount of INR 1,629.75 million (previous year INR 5,014.03 million), and INR 1,040.88 million (previous year INR 1,927.08 million) respectively are provided as security against borrowing at year end.
4. The Company has availed fund based and non-fund based working capital facility of INR 2,450 million (previous year INR 5,000 million) from a consortium of banks. The facility is secured by way of hypothecation of the Company's entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables current assets including book-debts, receivables, both present and future, on a first charge basis ranking pari-passu with other participating consortium member banks.

The carrying amounts of assets pledged as security for current borrowings are:

	Notes	INR in million	
		As at	As at
		31 March 2023	31 March 2022
Financial assets			
First pari-passu charge			
Receivables	5(d)	1,040.88	1,927.08
Inventories	8	1,629.75	5,014.03
Total current assets pledged as security		2,670.63	6,941.11

5. During the previous year, the Company surrendered the overdraft facility of INR 50.00 million availed from a bank, against fixed deposits of INR 52.95 million placed with the bank.

11(b) Reconciliation of movements of liabilities to cash flows arising from financing activities

	INR in million					
	As at 31 March 2021	Financing cash flows	New finance leases	Finance costs expensed	Finance costs capitalised	As at 31 March 2022
Finance lease liabilities	197.92	(67.23)	6.34	-	-	137.03
Short term loans repayable on demand (net)	200.01	439.99	-	-	-	640.00
Interest accrued	0.02	(38.19)	-	25.98	14.00	1.81
Total	397.95	334.57	6.34	25.98	14.00	778.84

	INR in million					
	As at 31 March 2022	Financing cash flows	New finance leases	Finance costs expensed	Finance costs capitalised	As at 31 March 2023
Lease liabilities (previous year: finance lease liabilities)	137.03	(74.83)	2.92	-	-	65.11
Short term loans repayable on demand (net)	640.00	482.55	-	-	-	1,122.55
Interest accrued	1.81	(76.77)	-	15.78	62.80	3.62
Total	778.84	330.95	2.92	15.78	62.80	1,191.29

11(c) Trade payables

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Current		
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises (Refer Note 35)	33.32	33.11
-Total outstanding dues of creditors other than micro enterprises and small enterprises	1,165.05	2,394.73
Total trade payables	1,198.37	2,427.84
Amount payable to related parties included in above (Refer Note 29)	542.55	327.37

Ageing for trade payables outstanding as at March 31, 2023 is as follows :

Particulars	Outstanding for the following periods from due date of payment					INR in million
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME*	14.05	20.77	0.11	-	-	34.93
Others	183.81	796.92	27.65	29.12	17.19	996.44
Disputed dues MSME*	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-
	197.86	817.69	27.76	29.12	17.19	1,031.37
Expenses accrued						167.00
Total						1,198.37

Ageing for trade payables outstanding as at March 31, 2022 is as follows :

Particulars	Outstanding for the following periods from due date of payment					INR in million
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME*	16.90	16.04	0.02	0.12	-	33.08
Others	696.02	824.65	60.80	17.98	15.74	1,615.19
Disputed dues MSME*	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-
	712.92	840.69	60.82	18.10	15.74	1,648.27
Expenses accrued						779.57
Total						2,427.84

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

11(d) Other current financial liabilities

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	3.62	1.81
Security deposit	-	2.70
Capital creditors*	12.14	137.99
Employee benefits payable	88.49	148.83
Other payable to related parties#	425.25	394.66
Total other current financial liabilities	529.50	685.99

* Includes payable to Micro, Small & Medium enterprises INR 1.96 million (previous year INR 2.66 million)

Includes overdue payable of INR 247.74 million (previous year INR 228.52 million) for which the Company has made an application to the authorised dealer bank for necessary approval for payment.

12(a) Other non-current liabilities

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Contract liabilities	16.78	18.28
Deferred income - Government grant	30.02	42.73
Total other non-current liabilities	46.80	61.01

12(b) Other current liabilities

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Contract liabilities	213.87	719.13
Deferred income - Government grant	7.67	11.72
Statutory dues payables	79.05	163.73
Total other current liabilities	300.59	894.58

13. Provisions

	INR in million			
	As at		As at	
	31 March 2023		31 March 2022	
	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 24)	71.20	75.00	82.33	313.53
Other provisions	11.68	-	10.72	-
Total provisions	82.88	75.00	93.05	313.53

14. Revenue from operations

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of products		
- Finished goods	2,175.70	4,388.53
- Traded goods	352.12	2,190.15
Sale of services	485.27	3.29
Other operating revenue	186.56	142.26
Total revenue from operations	3,199.65	6,724.23

Disaggregation of revenue:

In the following table, revenue (other than other operating revenue) is disaggregated by primary geographical market, service lines and sales channels.

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Primary geographical markets		
India	491.11	2,193.62
Americas and Europe	808.10	2,700.94
Rest of the world	1,713.88	1,687.41
Total	3,013.09	6,581.97
Major product/service line		
Dosage	3,013.09	6,581.97
Total	3,013.09	6,581.97
Sales Channels		
Manufacturers	3,013.09	6,581.97
Total	3,013.09	6,581.97

Contract Balances

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Trade receivables	1,040.88	1,927.08
Contract assets	27.22	38.92
Contract liabilities	230.65	737.41

Reconciliation of revenue recognised with the contracted price is as follows:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Contracted Price	3,027.28	6,589.82
Reductions towards discounts/variable consideration components	14.19	7.85
Revenue recognised	3,013.09	6,581.97

The amount of INR 171.27 million (previous year INR 1,026.39 million for both continuing and discontinued operations) recognised in contract liabilities at the beginning of the period has been recognised as revenue for the current year (also refer note 40). The balance amount of contract liabilities amounting to INR 6.96 million has been transferred as a result of demerger as reported in note 40.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revaluations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations, excluding those where original expected duration of one year or less, amounts to INR 17.81 million (previous year INR 62.34 million) majority of which is expected to be recognised as revenue in next 2 years.

15. Other income

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Government Grant Income	8.31	-
Interest income	0.08	4.84
Gain on sale/disposal/discard of property, plant and equipments (net)	-	83.22
Rental Income	53.90	-
Other items	4.28	-
Total other income	66.57	88.06

16. Cost of materials consumed

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Raw materials consumed	912.56	1,975.57
Total cost of materials consumed	912.56	1,975.57

17. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance		
Work-in-progress	2,074.26	1,862.18
Finished goods	798.74	554.24
Stock-in-trade	50.40	70.29
Total opening balance	2,923.40	2,486.71
Adjustment / Transfer pursuant to the demerger Scheme (Refer note 40)	(2,218.24)	-
Closing balance		
Work-in-progress	301.74	2,074.26
Finished goods	307.00	798.74
Stock-in-trade	57.52	50.40
Total closing balance	666.26	2,923.40
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	38.89	(436.69)
Less : Net increase/(decrease) in inventory on account of transfer	-	(406.08)
Net Change in inventories	38.89	(30.61)

18. Employee benefits expense

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages, bonus, gratuity and allowances	1,183.80	1,080.38
Contribution to provident fund and other funds (refer note 24)	65.67	59.57
Employee share-based payment expense	25.15	-
Staff welfare expenses	61.38	58.77
Total employee benefits expense	1,336.00	1,198.72

19. Finance costs

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense*	15.44	21.25
Other borrowing costs	0.34	3.32
Total finance costs	15.78	24.57

* Includes interest INR nil under section 234B and 234C of the Income-tax Act, 1961 (previous year INR 10.39 million). Also includes INR 7.26 million interest paid on custom duty (previous year nil).

Note:

- (1) Finance costs on general borrowings amounting to INR 62.24 million (previous year INR 14 million) has been capitalised during the year with a capitalisation rate of 2.55% (previous year 0.84%).

20. Depreciation, amortisation and impairment expense

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment	351.98	372.52
Amortisation of right of use assets (refer note 37)	48.17	34.93
Impairment of intangible assets (including intangibles under development) (refer note 4)	1,202.34	156.37
Amortisation of intangible assets (refer note 4)	139.25	277.13
Total depreciation, amortisation and impairment expense	1,741.74	840.95

21. Other Expenses:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	164.86	157.62
Consumption of stores and spares and packing materials	229.61	464.14
Processing charges	140.25	830.19
Rental charges (refer note 29 & 37)	1.37	-
Rates and taxes	157.65	152.62
Insurance	20.49	16.68
Advertisement, publicity and sales promotion	123.15	82.50
Travel and conveyance	73.25	40.87
Repairs and maintenance		
Plant and machinery	79.52	45.44
Buildings	11.24	9.21
Others	227.20	111.28
Office expenses	34.83	34.84
Vehicle running and maintenance (refer note 29)	5.02	4.79
Printing and stationery	3.53	3.75
Telephone and communication charges	12.56	9.91
Staff recruitment and training	8.86	5.93
Donation (including corporate social responsibility expenditure) (refer note 33)	18.63	30.55
Payments to auditors (refer note 21 (a))	1.25	1.80
Legal and professional fees	373.59	261.00
Freight and forwarding (including ocean freight)	33.23	140.36
Directors' sitting fees	0.19	0.36
Subscription	15.05	18.10
Bank charges	1.49	4.41
Claims and other selling expenses	20.43	67.24
Commission on sales	8.26	11.48
Net foreign exchange loss	2.28	8.81
Allowance for expected loss	27.78	21.95
Loss on sale/disposal/discard of property, plant and equipments (net)	3.35	-
Miscellaneous expenses	13.09	-
Total other expenses	1,812.01	2,535.83

21B. Details of payments to auditors (excluding applicable taxes and including out of pocket expenses)

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Payment to auditors		
As auditor:		
Audit fee	1.05	1.06
In other capacities		
Certification and other service fees	0.20	1.30
Total payments to auditors	1.25	2.36

22. Income tax expense

The major components of income tax expenses for the year ended 31 March 2023 and 31 March 2022 are:

	INR in million	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit or loss section		
Current tax:		
Current tax charge for the year	-	34.27
Adjustments in respect of current income tax of previous years	0.01	0.18
	0.01	34.45
Deferred tax:		
Deferred tax on profits for the year	(845.51)	21.71
Adjustments in respect of deferred tax of previous years	9.21	(4.36)
	(836.30)	17.35
Income tax expense of continuing operations	(836.29)	51.81
Income tax expense of discontinued operations	-	4.82
Income tax expense / (benefit)	(836.29)	56.63
OCI section:		
Tax related to items that will not be reclassified to profit or loss	-	-
Tax related to items that will be reclassified to profit or loss	(2.73)	4.76
	(2.73)	4.76
Income tax expense/(benefit) of continuing operations	(2.73)	1.75
Income tax benefit of discontinued operations	-	3.01
Income tax expense/(benefit)	(2.73)	4.76
Income tax expense of continuing operations	(839.02)	53.56
Income tax expense of discontinued operations	-	7.83
Income tax expense / (benefit)	(839.02)	61.39

Reconciliation between average effective tax rate and applicable tax rate for the year:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before income tax from continuing operations	(2,723.90)	156.21
Profit before income tax from discontinued operations	-	24.72
Profit before income tax	(2,723.90)	180.93
At India's statutory income tax rate of 34.944% (31 Mar 2022 34.944%)	(951.84)	63.22
Effect of non-deductible expenses and exempt income	127.20	15.34
Effect of change in tax rate on opening deferred tax balance	-	-
Effect of lower tax rate on temporary difference of current year	(13.94)	(27.05)
Effect of prior year re-assessments	9.22	(4.18)
Others	(6.93)	9.30
Income Tax expenses reported in the Statement of Profit and Loss	(836.29)	56.63
Income Tax expense of continuing operations	(836.29)	51.81
Income Tax expense of discontinued operations	-	4.82

23. Research and development expenditure incurred (excluding cost of acquired intangibles, finance cost, depreciation and amortization expense) comprises:

Revenue expenditure	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022#
Cost of material consumed	116.80	212.62
Employee benefits expense	208.09	417.96
Utilities- power	25.20	36.76
Other expenses	56.85	291.77
Total revenue expenditure (A)	406.94	959.11

Out of above INR 212.32 million pertains to discontinued operations

Out of the above total expenditure, the amount of R&D expenditure transferred to Intangibles/ Intangible assets under development is INR 212.32 Million (previous year INR 366.38 million). This should also be read in conjunction with other disclosures made in the financial statements.

Capital expenditure (equipment)

Capital expenditure	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022#
Equipment	13.75	64.18
Total capital expenditure (B)	13.75	64.18
Total (A+B)	420.69	1,023.29

Out of above INR 30.88 million pertains to discontinued operations

24. Employee benefits in respect of the Company have been calculated as under:**(A) Defined Contribution Plans**

The Company has certain defined contribution plan such as employee state insurance, employee pension scheme, wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022#
Employer's contribution to provident fund (refer note 24(B)(ii))	44.03	24.40
Employer's contribution to employee's pension scheme 1995	20.43	33.00
Employer's contribution to employee state insurance	1.21	2.06

out of above INR 25.54 million pertains to discontinued operations

(B) Defined Benefit Plans**i. Gratuity**

In Accordance with Ind AS 19 "Employee benefits" an actuarial valuation has been carried out in respect of gratuity.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 7.35% p.a. (Previous year 7.2 % p.a.) which is determined by reference to market yield at the

balance sheet date on Government bonds. The retirement age has been considered at 58 years (Previous year 58 years) and mortality table is as per IALM (2012-14) (Previous year IALM (2012-14)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (Previous year 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

During the previous year, plan assets were maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees at Nanjangud manufacturing unit of the Company, which has been transferred out as a result of demerger Scheme (Refer note 40). The details of investments maintained by Life Insurance Corporation were not available with the Company, hence not disclosed. The expected rate of return assumed on plan assets was 6.80 % p.a.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	277.13	260.72
Current service cost	14.71	36.23
Transfer In / Out (including transferred pursuant to the demerger Scheme, refer note 40)	(163.42)	1.78
Interest cost	8.18	17.73
Actuarial (gain)/loss	7.81	(13.63)
Benefits paid	(57.02)	(25.70)
Present value of obligation at the end of the year	87.39	277.13

Fair Value of Plan Assets:**

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Plan assets at the beginning of the year	29.67	32.07
Expected return on plan assets	-	2.12
Contribution by employer	-	2.84
Actual benefits paid	-	(6.64)
Fund management charges	-	(0.72)
Transferred pursuant to the demerger Scheme (refer note 40)	(29.67)	-
Plan assets at the end of the year	-	29.67

** In respect of certain employees of Nanjangud manufacturing unit of the Company, which has been transferred out as a result of demerger Scheme (Refer note 40).

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the end of the year	87.39	277.13
Fair value of plan assets at the end of the year	-	(29.67)
Net liabilities recognised in the Balance Sheet	87.39	247.46

Expense recognised in the statement of profit and loss under employee benefit expense:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022#
Current service cost	14.71	36.23
Interest cost	8.18	15.55
Expenses recognised in the Statement of profit and loss	22.89	51.77
# out of above INR 25.54 million pertains to discontinued operations		

Amount recognised in the other comprehensive income:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022#
Actuarial loss/(gain) on arising from change in demographic assumption	(0.96)	(1.27)
Actuarial loss/(gain) on arising from change in financial assumption	(0.94)	(5.20)
Actuarial loss/(gain) on arising from experience adjustment	9.70	(7.17)
Actuarial loss/(gain) on plan assets	-	-
# out of above INR (8.58) million pertains to discontinued operations		

Company's best estimate of contribution during next year is INR 19.7 million (previous year INR 59.16 million).

As at 31 March 2023 there are no plan assets, and as at 31 March 2022, 100% of the plan assets were invested in insurer managed funds.

Sensitivity analysis

Particulars	INR in million			
	31 March 2023		31 March 2023	
Assumptions	Discount rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(0.62)	0.63	0.64	(0.63)

Particulars	INR in million			
	31 March 2022		31 March 2022	
Assumptions	Discount rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(9.15)	9.73	9.74	(9.25)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

ii. Provident Fund:

The Company made monthly contributions to the recognised provident fund - "VAM Employees Provident Fund Trust" (a multi-employer trust) for most of its employees in India, for the period starting with 1 April 2021 till 30 November 2021. Post 1 December 2021, these contributions are made with the regional provident fund authority for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has contributed INR 65.67 million to Provident Fund Trust (previous year: INR 48.30 million) during the year.

(C) Other long term benefits (Compensated absences)

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the end of the year	58.80	148.39

25. Fair value measurements

INR in million							
Note	Level of hierarchy	31 March 2023			31 March 2022		
		FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets (excluding investment in subsidiaries)							
Trade receivables	(a)	-	-	1,040.88	-	-	1,927.08
Loans	(c)	3	-	-	1.31	-	3,262.61
Cash and cash equivalents	(a)	-	-	9.55	-	-	5.46
Other bank balances	(a)	-	-	3.60	-	-	3.83
Other financial assets	(a)	-	-	277.32	-	-	870.96
Total financial assets		-	-	1,332.66	-	-	6,069.94
Financial liabilities							
Borrowings	(a)	3	-	-	1,122.55	-	640.00
Trade payables	(a)	-	-	1,198.37	-	-	2,427.84
Other financial liabilities	(a)	-	-	529.50	-	-	685.99
Lease liability	(a)	-	-	65.11	-	-	137.03
Total financial liabilities		-	-	2,915.53	-	-	3,890.86

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
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Loans to related parties	<i>Discounted cash flows:</i> The valuation model considers the present value of expected cashflows discounted using an adjusted discount rate		
	Adjusted discount rate: Nil (2022: 6.75%)	The estimated fair value would increase (decrease) if the adjusted discount rate was lower (higher)	

Note:

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
(b) Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
(c) Fair value of loans is as below:

	Level	(INR in million)	
		Fair Value	
		31 March 2023	31 March 2022
Loans	3	1.31	3,274.58
Borrowings	3	1,122.55	640.00

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2023 and 31 March 2022.

26. Financial risk management

A. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversees the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether they are an individual or a legal entity, whether they are an institutional dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more

than six months (net of expected credit loss allowance) is INR 193.24 million (Previous year INR 253.50 million)

Company's exposure to credit risk for trade receivables using provision matrix is as follows:

	As at 31 March 2023			As at 31 March 2022		
	Gross carrying amount	Allowance for credit losses *	Net carrying amount	Gross carrying amount	Allowance for credit losses	Net carrying amount
Not due	357.05	0.59	356.46	1,336.11	24.46	1,319.90
0-90 days	235.50	0.48	235.02	249.83	5.89	243.94
90-180 days	254.57	0.17	254.40	108.80	0.51	109.74
180-270 days	134.31	0.85	133.46	147.61	0.25	147.36
270-360 days	8.87	1.53	7.34	91.30	0.22	87.64
More than 360 days	103.15	48.95	54.20	27.33	2.57	18.50
	1,093.45	52.57	1,040.88	1,960.98	33.90	1,927.08

Movement in the expected credit loss allowance of trade receivables are as follows:

	INR in million	
	31 March 2023	31 March 2022
Balance at the beginning of the year	33.90	10.20
Transferred pursuant to the Scheme of demerger (refer note 40)	(8.03)	-
(Less)/add: Reversed/provided during the year (net of reversal)	26.70	23.70
Balance at the end of the year	52.57	33.90

* Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company.

Expected credit loss with respect to other financial assets:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by the treasury department. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts exclude contractual interest payments and exclude the impact of netting agreements.

31 March 2023	INR in million			
	Contractual Cash flows (1)			
	Carrying Amount	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	1,122.55	1,122.55	1,122.55	-
Lease liability	65.11	65.11	19.52	45.59
Trade payables	1,198.37	1,198.37	1,198.37	-
Other financial liabilities	529.50	529.50	529.50	-
	2,915.53	2,915.53	2,869.94	45.59

(1) Contractual cash flow excludes interest payable

31 March 2022	INR in million			
	Contractual Cash flows (1)			
	Carrying Amount	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	640.00	640.00	640.00	-
Lease liability	137.03	137.03	65.56	71.47
Trade payables	2,427.84	2,427.84	2,427.84	-
Other financial liabilities	685.99	685.99	685.99	-
	3,890.86	3,890.86	3,819.39	71.47

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which the company is exposed to risk are USD, Euro, CAD and Other.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	As at 31 March 2023				As at 31 March 2022			
	USD	Euro	CAD	Other	USD	Euro	CAD	Other
Trade and other receivables	647.27	103.77	15.11	274.16	1,874.56	191.66	32.87	139.03
Cash and cash equivalents	-	-	-	-	-	-	-	-
Trade and other payables	(708.65)	(26.84)	(7.25)	(15.67)	(1,581.53)	(73.89)	(25.58)	(35.17)
Net statement of financial position exposure	(61.38)	76.93	7.86	258.49	293.03	117.77	7.29	103.86

Sensitivity analysis

A reasonably possible strengthening/weakening of the USD, Euro, CAD and others against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	INR in million			
	Profit or loss (before tax)		OCI (before tax)	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
USD (1% movement)	(0.61)	0.61	-	-
Euro (1% movement)	0.77	(0.77)	-	-
CAD (1% movement)	0.08	(0.08)	-	-
Other (1% movement)	2.58	(2.58)	-	-
31 March 2022				
USD (1% movement)	2.93	(2.93)	-	-
Euro (1% movement)	1.18	(1.18)	-	-
CAD (1% movement)	0.07	(0.07)	-	-
Other (1% movement)	1.04	(1.04)	-	-

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings and floating rate loan given:

	INR in Million	
	As at 31 March 2023	As at 31 March 2022
Floating rate borrowings	1,122.55	640.00
Floating rate loan given to ultimate holding company & fellow subsidiary	-	3,257.00

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2023 would decrease / increase by INR 2.81 million (previous year decrease / increase by INR 1.60 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

27. Segment reporting

Board of Directors of the Company has been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Company has determined pharmaceutical as the only reportable segment.

Information about Geographical segments:

The geographical information analyses the Company's revenue (other than other operating revenue) and non-current assets by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets were based on the geographical location of the assets.

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Primary geographical markets		
India	491.11	2,193.62
Americas and Europe	808.10	2,700.94
Rest of the world	1,713.88	1,687.41
Total	3,013.09	6,581.97

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Non-current assets (by geographical location of assets)*		
Within India	6,233.34	16,527.17
	6,233.34	16,527.17

*Non-current assets are excluding financial instruments and deferred tax assets.

Major customers comprising more than 10% of total revenue

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Sawai Pharmaceutical Co. Ltd.	670.38	-
Arrow Pharmaceuticals Pty Ltd.	331.44	-
Jubilant Cadista Pharmaceuticals Inc.	201.19	2,082.79
Jubilant Pharma Holdings Inc.	151.87	1,416.26

28. Capital management

Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Net debt	1,109.17	630.71
Total equity	11,911.16	25,376.34
Net debt to equity ratio	0.09	0.02

29. Related Party Disclosures

i) Related parties of the Company

Ultimate Holding Company
Jubilant Pharmova Limited

Holding Company
Jubilant Pharma Limited

Fellow Subsidiaries (including partnership firm)

Jubilant HollisterStier LLC
Jubilant Biosys Limited
Jubilant Cadista Pharmaceuticals Inc.
Jubilant DraxImage Inc.
Jubilant Pharma Holdings Inc.
Jubilant Pharma Australia Pty Limited
Jubilant Draximage Limited
Jubilant Pharma South Africa Pty Limited
Jubilant Business Services Limited
Jubilant Pharma UK Limited
Jubilant HollisterStier General Partnership
Jubilant Pharma ME FZ - LLC

Subsidiary
Jubilant Pharma NV

Step-down Subsidiaries
Jubilant Pharmaceuticals NV
PSI Supply NV

Other Entities
Jubilant Agri and Consumer Products Limited

Vam Employees Provident Fund Trust
Jubilant Enpro Private Limited
Jubilant Bhartia Foundation
Jubilant Ingrevia Limited
Jubilant Foodworks Limited (with effect from 19 July 2021)
Jubilant Life Sciences Limited (Sanghai) (with effect from 31 March 2022)
Jubilant Sports Car Pvt. Limited (with effect from 21 October 2021)

Key Managerial Personnel

Ms. Sudha Pillai

Mr. Jasdeepsingh Gurdeepsingh Sood

Mr. Arvind Chokhany, appointed as Director with effect from 3 June 2021

Dr. Jaidev Sanjeev Rajpal, appointed as Additional Director and Managing Director and CEO of the Company with effect from 11 October 2022

Mr. Anant Pande, resigned as Director of the Company with effect from 31 March 2022

Mr. Christopher Stanely Krawtschuk – appointed as Director with effect from June 3, 2021 and resigned as Director of the Company with effect from 14 September 2022

Mr. Pramod Yadav, resigned as Director of the Company with effect from 14 September 2022

Mr. Ramamurthi Kumar, appointed as Director with effect from 1 April, 2022, and resigned as Director of the Company with effect from 30 June 2022

INR in million

Sr.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Description of Transactions:		
	Sales of goods and services:		
	Jubilant Cadista Pharmaceuticals Inc.	201.19	2,082.79
	Jubilant Pharma Holding Inc.	151.87	1,416.26
	Jubilant Pharma ME FZ -LLC	12.84	-
	Jubilant HollisterStier LLC	55.27	0.18
	PSI Supply NV	90.82	239.43
	Jubilant DraxImage Inc.	80.72	-
	Jubilant Pharma UK Ltd	183.22	-
	Jubilant Ingrevia Limited	0.18	-
	Jubilant Pharmova Limited	183.47	-
	Jubilant HollisterStier General Partnership	21.14	-
	Jubilant Pharma SA (Pty) Ltd	85.86	47.15
		1,066.58	3,785.81
2	Rental and other expenses:		
	Jubilant Pharmova Limited	48.57	80.21
	Jubilant Ingrevia Limited	5.25	10.78
		53.82	90.99
3	Purchase of goods and services:		
	Jubilant Pharma Australia PTY LTD	2.45	-
	Jubilant Pharmova Limited	308.20	-
	Jubilant Pharma Australia Pty Limited	-	3.01
	Jubilant Biosys Limited	6.47	20.19
	Jubilant Pharma SA (Pty) Ltd	9.40	16.38
	Jubilant Business Services Limited	-	60.05
	Jubilant Pharma UK Ltd	12.83	17.66
	Jubilant Ingrevia Limited	-	2.49
		339.35	119.78
4	Interest income		
	Jubilant Pharmova Limited	-	197.38
	Jubilant Draximage Limited	0.23	0.42
		0.23	197.80
5	Sale of Merchandise Exports from India Scheme scrip:		
	Jubilant Ingrevia Limited	83.75	-
6	Sale of Intangible assets & Intangibles under development		
	Jubilant Cadista Pharmaceuticals Inc.	-	522.61
7	Net assets transferred pursuant to demerger Scheme (Refer note 40)		
	Jubilant Pharmova Limited	11,572.49	-

INR in million

Sr.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
	Description of Transactions:		
8	Recovery of expenses:		
	Jubilant HollisterStier General Partnership	-	20.58
	Jubilant HollisterStier LLC	-	51.31
	Jubilant Pharmova Limited	439.84	-
	Jubilant Cadista Pharmaceuticals Inc.	-	29.33
	Jubilant Biosys Limited	-	11.68
	Jubilant DraxImage Inc.	-	87.05
	Jubilant Pharma Holdings Inc.	-	73.54
	Jubilant Draximage Radiopharmacies Inc.	-	16.57
	Jubilant Pharma Limited	0.10	1.48
	Jubilant Business Services Limited	2.00	0.23
	Jubilant Agri and Consumer Products Limited	-	5.98
	Jubilant Ingrevia Limited	0.04	-
	Jubilant Pharma Holding Inc.	12.62	-
		454.60	297.75
9	Sale of property plant and equipment:		
	Jubilant Cadista Pharmaceuticals Inc.	33.15	-
	Jubilant Biosys Limited	21.31	-
	Jubilant DraxImage Inc.	22.73	-
		77.19	-
10	Purchase of property plant and equipment:		
	Jubilant Sports Cars Private Limited	-	11.40
11	Reimbursement of expenses:		
	Jubilant Pharma Holding Inc.	96.34	291.44
	Jubilant Pharma UK Ltd	2.40	-
	Jubilant Cadista Pharmaceuticals Inc.	11.04	84.37
	Jubilant DraxImage Inc.	0.27	0.03
	Jubilant Pharma SA (Pty) Ltd	4.09	-
	Jubilant Pharmova Limited	55.45	150.74
	Jubilant Pharmaceuticals NV	55.52	51.63
	PSI Supply NV	0.20	2.68
	Jubilant Pharma Limited	81.05	96.85
	Jubilant Pharma Australia Pty Limited	-	1.33
	Jubilant Business Services Limited	-	0.02
	Jubilant Pharma South Africa Pty Limited	-	1.08
	Jubilant Pharma Australia PTY LTD	0.58	-
	Jubilant Ingrevia Limited	57.51	129.87
	Jubilant Food Works Limited	0.01	0.92
	Jubilant Life Sciences (Shanghai) Ltd	-	27.11
		364.46	838.07

Sr. No.	Particulars	INR in million	
		For the year ended 31 March 2023	For the year ended 31 March 2022
	Description of Transactions:		
12	Donations:		
	Jubilant Bhartia Foundation	18.63	28.50
		18.63	28.50
13	Remuneration and Related Expenses*:		
	Mr. Jasdeepsingh Gurdeepsingh Sood	22.54	20.40
	Dr. Jaidev Sanjeev Rajpal	43.11	-
		65.65	20.40
14	Sitting fees:		
	Ms. Sudha Pillai	0.19	0.36
		0.19	0.36
15	Company's Contribution to PF Trust :		
	Vam Employee Provident Fund Trust	-	48.30
		-	48.30
16	Recovery of Payments made on behalf of API:		
	Jubilant Pharmova Limited	230.19	-
		230.19	-
17	Collections made on behalf of API:		
	Jubilant Pharmova Limited	74.36	-
		74.36	-
18	Rental Income		
	Jubilant Pharmova Limited	63.60	-
		63.60	-
19	Employee Benefit Transfer:		
	Jubilant Pharmova Limited	14.27	-
	Jubilant Ingrevia Limited	0.53	-
		14.80	-

Jubilant Generics Limited
Notes to the financial statements for the year ended 31 March 2023

Sr.No	Particulars	INR in million	
		As at	
		31 March 2023	31 March 2022
20	Amount Outstandings:		
	Trade payables:		
	Jubilant Pharma Australia Pty Ltd	1.13	-
	Jubilant DraxImage Inc.	0.31	0.07
	Jubilant HollisterStier General Partnership	-	0.35
	Jubilant Pharmova Limited	141.37	59.56
	Jubilant Pharma Holding Inc.	113.91	149.23
	Jubilant Biosys Limited	-	5.98
	Jubilant Pharmaceuticals NV	24.66	39.56
	Jubilant Pharma Australia Pty Limited	-	1.10
	PSI Supply NV	-	0.88
	Jubilant Life Sciences Limited	94.86	-
	Jubilant Business services Limited	-	0.59
	Jubilant Pharma SA (Pty) Ltd	0.03	3.69
	Jubilant Pharma Limited	111.08	28.37
	Jubilant Life Sciences (Shanghai) Ltd	-	27.11
	Jubilant Ingrevia Limited	55.20	6.88
	Jubilant Pharma UK Ltd	-	4.00
	Jubilant Cadista Pharmaceuticals Inc.	-	-
		542.55	327.37
21	Other payables:		
	Jubilant Cadista Pharmaceuticals Inc.	425.25	394.66
22	Advance from customers		
	Jubilant Cadista Pharmaceuticals Inc.	165.09	560.17
		165.09	560.17

Sr.No	Particulars	INR in million	
		As at	
		31 March 2023	31 March 2022
23	Interest receivable:		
	Jubilant Pharmova Limited	-	16.77
	Jubilant Draximage Limited	-	0.14
		-	16.91
24	Receivable against inter corporate deposit		
	Jubilant Pharmova Limited	-	3,250.00
	Jubilant Draximage Limited	-	7.00
		-	3,257.00
25	Trade receivables:		
	Jubilant Pharma Holdings Inc.	81.50	303.49
	Jubilant Pharma ME FZ –LLC	12.98	-
	PSI Supply NV	100.27	221.04
	Jubilant Biosys Ltd	2.37	10.12
	Jubilant Pharma SA (Pty) Ltd	56.01	48.59
	Jubilant Pharma UK Ltd	187.82	-
	Jubilant Cadista Pharmaceuticals Inc.	136.54	-
	Jubilant Draximage Inc.	12.69	-
	Jubilant HollisterStier General Partnership	3.52	-
	Jubilant HollisterStier LLC	7.27	-
	Jubilant Pharmova Limited	112.92	-
		713.88	583.24
26	Other receivables:		
	Jubilant Cadista Pharmaceuticals Inc.	34.46	546.35
	Jubilant Biosys Limited	18.93	1.53
	Jubilant Draximage Inc.	22.54	31.35
	Jubilant Pharma Holding Inc.	0.78	-
	Jubilant Draximage Radiopharmacies	-	8.16
	Jubilant HollisterStier LLC	0.00	20.54
	Jubilant HollisterStier General Partnership	(0.01)	14.32
	Jubilant Pharma Holdings Inc.	-	25.50
	Jubilant Pharmova Limited	143.48	10.24
	Jubilant Ingrevia Limited	5.85	6.09
	Jubilant Agri and Consumer Products Limited	-	5.47
	Jubilant Pharma Limited	0.02	0.18
		226.06	669.73

* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the company as a whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

Breakup of remuneration to key management personnel were as follows:

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Short term employment benefits	64.81	19.56
Post employment benefits	0.84	0.84
Sitting fees	0.19	0.36

30. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt:

	INR in million	
	As at 31 March 2023	As at 31 March 2022
Service Tax	-	0.79
Central Excise	7.83	7.83
Customs	-	4.44
Goods and Service Tax	3.71	11.18
Others	126.80	153.31

Including claims in respect of IBP business acquired from Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited), though the litigations may be continuing in the name of Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited), however any liability arising in future relating to these disputes will be borne by the Company.

Excluding claims in respect of API business of the Company demerged into Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited), though the litigations may be continuing in the name of the Company, however any liability arising in future relating to these disputes will be borne by Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited) (refer note 40).

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

In July 2021, the U.S. Food and Drug Administration ("USFDA") placed the Roorkee facility under import alert, which restricts supplies to the USA from the Roorkee facility. The USFDA earlier exempted certain products from the import alert subject to certain conditions. Also, subsequent to the USFDA inspection in July, 2022, the inspection classification has been concluded as "OAI" (Official Action Indicated) in October 2022. The Company continues to engage with the USFDA and take all necessary steps, including comprehensive assessment and engaging independent consultants, to ensure continuous quality improvements to resolve the import alert at the earliest. Manufacturing and supply of pharmaceutical products continues from Roorkee facility to all other markets including an exempted product to the USA.

The above does not include all other obligations resulting from claims, legal pronouncements having financial impact in respect of which the Company generally performs the assessment based on the external legal opinion and the amount of which cannot be reliably estimated.

31. Commitments as at period end

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) is INR 0.55 million (previous year INR 404.46 million).

b) Other Commitments:

Export obligation undertaken by the Company under EPCG scheme to be completed over a period of six years on account of import of Capital Goods at concessional import duty and remaining outstanding is INR 127.39 million (previous year INR 385.54 million). Similarly, export obligation under Advance License Scheme/DFIA scheme on duty free import of specific raw materials, remaining outstanding is INR 3.04 million (previous year INR 120.02 million).

32. Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans to group companies [Refer note 29]:

	Purpose of term loan	INR in million	
		31 March 2023	31 March 2022
	General business purpose and interest rate		
Outstanding as at the beginning of the period	nil (Previous year 5.25% to 6.75% p.a.)	-	3,257.00
Outstanding as at the end of the period		-	3,257.00

33. Corporate Social Responsibility (CSR) Expense

Particulars	INR in million	
	31 March 2023	31 March 2022
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	18.63	30.55
Details of CSR spent during the period		
a) Construction / acquisition of any asset	-	-
b) On purposes other than (a) above (1)	18.63	30.55

(1) Included in Donation (Refer note 21 and note 29)

34. Government grant recoverable INR 18.15 million (Previous year INR 22.78 million) and Government grant recognized INR 37.19 million (Previous year INR 53.65 million) in Statement of Profit and Loss.

35. Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at the end of period. The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	INR in million	
	As at 31 March 2023	As at 31 March 2022
The principal amount remaining unpaid to any supplier as at the end of the period	33.32	33.08
The interest due on principal amount remaining unpaid to any supplier as at the end of the period	-	0.03
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
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 period) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the period	-	0.03
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

36. Earnings per share

		For the year ended	
		31 March 2023	31 March 2022
(Loss)/Profit from continuing operations for basic and diluted earnings per share of INR 1 each	INR in million	(1,887.61)	104.40
Profit from discontinued operations for basic and diluted earnings per share of Rs. INR each	INR in million	-	19.90
(Loss)/Profit for basic and diluted earnings per share of INR 1 each	INR in million	(1,887.61)	124.30
Weighted average number of equity shares used in computing earnings per share			
For basic earnings per share	Nos.	2,579,665	2,579,665
For diluted earnings per share:			
No. of shares for basic earnings per share	Nos.	2,579,665	2,579,665
Add: Potential dilutive effects of stock options Nos.	Nos.	-	-
No. of shares for diluted earnings per share	Nos.	2,579,665	2,579,665
(Loss) / earnings per equity share of INR 1 each for continuing operations			
Basic	INR	(731.73)	40.47
Diluted	INR	(731.73)	40.47
(Loss) / earnings per equity share of INR 1 each for discontinued operations			
Basic	INR	-	7.71
Diluted	INR	-	7.71
(Loss) / earnings per equity share of INR 1 each for continuing and discontinued operations			
Basic	INR	(731.73)	48.18
Diluted	INR	(731.73)	48.18

37. Leases

a) As a Lessee:

Leases under Ind AS 116 for the period ended 31 March 2023

The details of the right-of-use assets held by the Company is as follows:

Description	INR in million			
	Operating Building (a)	Operating Vehicle (b)	Finance Vehicle (c)	Total (a+b+c)
Gross carrying value as at 1 April 2022	266.13	1.94	11.67	279.74
Additions/adjustments	-	-	2.92	2.92
Deductions/adjustments on account of demerger (#Refer Note 42)	(4.94)	-	(1.09)	(6.03)
Deductions/adjustments	(158.90)	-	(3.60)	(162.50)
Gross carrying value as at 31 March 2023	102.29	1.94	9.90	114.14
Accumulated amortisation as at 1 April 2022	157.12	1.93	5.57	164.62
Amortisation charge for the period	45.82	0.01	2.33	48.16
Deductions/adjustments on account of demerger (#Refer Note 42)	(0.60)	-	(0.43)	(1.03)
Deductions/adjustments	(146.32)	-	(3.60)	(149.92)
Accumulated amortisation as at 31 March 2023	56.02	1.94	3.87	61.84
Net carrying value as at 31 March 2023	46.27	0.00	6.04	52.30
Net carrying value as at 1 April 2022	109.01	0.01	6.10	115.12

Description	INR in million			
	Operating Building (a)	Operating Vehicle (b)	Finance Vehicle (c)	Total (a+b+c)
Gross carrying value as at 1 April 2021	269.55	1.94	10.27	281.76
Additions/adjustments	4.94	0.00	1.40	6.34
Deductions/adjustments	(8.36)	-	-	(8.36)
Gross carrying value as at 31 March 2022	266.13	1.94	11.67	279.74
Accumulated amortisation as at 1 April 2021	101.00	1.36	2.71	105.07
Amortisation charge for the period	56.12	0.57	2.86	59.55
Deductions/adjustments	-	-	-	-
Accumulated amortisation as at 31 March 2022	157.12	1.93	5.57	164.62
Net carrying value as at 31 March 2022	109.01	0.01	6.10	115.12

INR 5.21 million (previous year INR 14 million) amortisation capitalised during the period.

Amount recognised in Statement of Profit or Loss:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022*
Interest on lease liabilities #	8.12	14.92
Rental expense relating to short term leases	1.37	5.90
Total	9.49	20.82

INR 0.57 million interest has been capitalised during the year (previous year INR 2.39 million).

* represents amount in respect of continuing and discontinued operations

Amount recognised in statement of cash flows:

	INR in million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash outflow for leases	(69.39)	(67.23)
Total	(69.39)	(67.23)

b) As a Lessor:

The details of assets included in note 3, given on operating lease are as follows:

Particulars	As at 31 March 2023			INR in million
	Gross Block	Accumulated Depreciation	Net Block	Lease Rent Received
Land	374.60	-	374.60	
Building	1131.53	282.01	849.52	53.90
Total	1506.13	282.01	1224.12	53.90

The Company has given its land and building at Nanjangud on lease vide lease deed dated 29 July 2023 to Jubilant Pharmova Limited for the purposes of occupation and to conduct its business with effect from 1 July 2022 for a period of 3 years till 30 June 2025. The deed can be extended for a period of 3 years on mutually agreed terms by way of a fresh deed.

38. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

39. Ratios:

Ratio	Numerator	Denominator	31-03-2023	31-03-2022	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.07	1.86	-43%	Refer Note 1 below
Debt-Equity ratio	Total debt = Non-current borrowings (gross of transaction costs) + current borrowings	Total equity	0.09	0.03	274%	Increase in working capital loans at the end of the year
Debt service coverage ratio	Earnings for debt service = Profit before tax + depreciation and amortisation expense + finance costs + exceptional items	Debt service = Finance costs + scheduled principal repayments (excluding prepayments) during the year for non-current borrowings (including current maturities) and lease liabilities	561.24	52.14	-217%	Reduction in profitability during the year as compared to previous year
Return on equity ratio	Profit for the year	Average total equity	-10.12%	0.49%	-2166%	Reduction in profitability during the year as compared to previous year
Inventory turnover ratio	Revenue from operations	Average inventory	0.96	2.65	-64%	Refer Note 1 below
Trade receivable turnover ratio	Revenue from operations	Average trade receivable	2.16	6.65	-68%	Refer Note 1 below
Trade payable turnover ratio	Net purchases = Gross purchases - purchase return + other expenses net of non-cash expenses and donations	Average trade payables	3.28	5.75	-43%	Refer Note 1 below
Net capital turnover ratio	Revenue from operations	Average working capital = Average (current assets - current liabilities)	1.46	3.23	-55%	Increase in average working capital during the year as compared to previous year
Net profit ratio	Profit for the year	Revenue from operations	-58.99%	0.99%	-6059%	Reduction in profitability during the year as compared to previous year
Return on capital employed	Earnings before interest and taxes = Profit before tax + finance costs + exceptional items	Average capital employed = Average (total equity + borrowings (gross of transaction costs) + deferred tax liabilities - deferred tax assets)	-14.88%	0.84%	-1872%	Reduction in profitability during the year as compared to previous year
Return on investment	Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income	Average investments	NA	NA	NA	

Note 1: Significant change in ratio is on account of demerger of the API business of the Company as per demerger Scheme (refer note 40).

40. The Scheme of Arrangement ("the Scheme") for demerger of the Active Pharmaceuticals Ingredients business undertaking of Jubilant Generics Limited ("JGL") and vesting of the same with the Jubilant Pharmova Limited ("Ultimate Holding Company") on a going concern basis, with an appointed date of 1 April 2022 was approved by Hon'ble National Company Law Tribunal, Allahabad Bench ("the Tribunal") vide its order ("the Order") dated 23 May 2022. The Company has filed the certified copy of the Order from the Tribunal with the Registrar of Companies for registration in terms the requirements under the Companies Act, 2013, to make the Scheme effective.

Scheme of Arrangement for Demerger of the API Undertaking of the Company

The Board of Directors of the Company at its meeting held on 16 July 2021 had approved the Scheme of Arrangement ("Scheme") and subsequently filed with the Tribunal for demerger of the API Undertaking of the Company and vesting of the same with Jubilant Pharmova Limited, on a going concern basis with an appointed date of 1 April 2022. The Scheme was approved by Honourable NCLT, Allahabad Bench ("the Tribunal") vide its order dated 23 May 2022 (formal order received on 13 June 2022). The said NCLT order was filed with the Registrar of Companies registration in terms the requirements under the Companies Act, 2013 by both the Company and Jubilant Pharmova Limited on 1 July 2022 thereby making the Scheme effective on 1 July 2022.

Accounting of the demerger of the API Undertaking as per the approved Scheme:

Upon this Scheme coming into effect on the Effective Date on 1 July 2022, and with effect from the Appointed Date, the Company accounted for the demerger of the API Undertaking in its books of accounts as under:

- (i) The Company reduced the book values of assets and liabilities of the API Undertaking as at the close of business on the day immediately preceding the appointed date of 1 April 2022 in its books of accounts; and
- (ii) the Company made an adjustment equal to the book values of the API Undertaking, first in the Capital Reserve to the extent available, and thereafter residual balance in the Securities Premium under the head "Other Equity".

The book value of assets and liabilities transferred as at the appointed date are as under:

	INR in Million
	As at
	31 March 2022
ASSETS	
Non-current assets	
Property, plant and equipment	3,743.43
Capital work-in-progress	351.97
Goodwill	1,371.36
Other intangible assets	9.96
Right of use assets	4.99
Financial assets	
i. Loans	3,253.15
ii. Others	27.83
Deferred tax assets (net)	353.34
Other non-current assets	15.79
Total non-current assets	9,131.82
Current assets	
Inventories	3,231.82
Financial assets	
i. Trade receivables	1,114.78
ii. Cash and cash equivalents	0.15
iii. Other financial assets	149.83
Other current assets	319.38
Total current assets	4,815.96
Total assets (A)	13,947.78
LIABILITIES	
Non-current liabilities	
Financial liabilities	
i. Lease Liabilities	3.62
Provisions	182.47
Other non-current liabilities	6.49
Total non-current liabilities	192.58
Current liabilities	
Financial liabilities	
i. Lease Liabilities	1.82
ii. Trade payables	1,516.75
iii. Other financial liabilities	132.15
Other current liabilities	501.41
Provisions	30.58
Total current liabilities	2,182.71
Total liabilities (B)	2,375.29
Net assets transferred pursuant to the demerger Scheme (A) - (B)	11,572.49

Utilisation of reserves for transfer of net assets pursuant to the demerger Scheme

	INR in Million
	As at
	31 March 2022
Capital Reserve	3,512.42
Securities Premium	8,060.07
	11,572.49

The Company presented the API business undertaking as discontinued operations during the year ended 31 March 2022 in accordance with Ind AS 105 as below:

(a) Results of discontinued operations		INR in million
		For the year ended 31 March 2022
Revenue from operations		6,445.23
Other income		200.32
Total income		6,645.55
Expenses		
Cost of materials consumed		3,702.61
Purchases of stock-in-trade		26.28
Changes in inventories of finished goods, stock-in-trade and work-in-progress		(406.08)
Employee benefits expense		1,144.30
Finance costs		1.40
Depreciation, amortisation and impairment expense		306.63
Other expenses		1,845.69
Total expenses		6,620.83
Profit before tax		24.72
Tax expense/(benefits)		
- Current tax		6.19
- Deferred tax charge/(credit)		(1.37)
Total tax expense/(benefits)		4.82
Profit for the year from discontinued operations		19.90
Other comprehensive income/(loss) from discontinued operations		
Items that will not be reclassified to profit or loss		
Re-measurement of defined benefit obligations		8.58
Income tax relating to items that will not be reclassified to profit or loss		(3.01)
Other comprehensive income for the year, net of tax		5.58

(b) The net cash flows attributable to the discontinued operations are as follows:

	INR in Million
	For the year ended 31 March 2022
Net cash generated from operating activities	167.91
Net cash used in investing activities	(157.57)
Net cash used in from financing activities	(1.99)
Net increase in cash and cash equivalents	8.35

41. The Company has foreign currency receivables aggregating to INR 55.24 million (previous year INR 101.58 million) which are outstanding for more than nine months as at March 31, 2023 and foreign currency payables aggregating to INR 693.44 million (previous year INR 583.92 million) which are outstanding for more than six months as at March 31, 2023. The Company is in the process of applying to its authorised dealer bank for extension of time for receipt of above mentioned receivables. The Company has already applied to its authorised dealer bank for obtaining approval for payment of INR 247.74 million (previous year INR 228.52 million). The Company is in the process of applying to its authorised dealer bank for extension of time for payment of other payables.

42. Transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

Name of struck off company	Nature of Transaction	Balance outstanding		Relationship with the struck off company, if any
		As at 31 March 2023	As at 31 March 2022	
Rachana Rubbers Private Limited	Advance for supply of goods and	-	0.60	-

43. Additional Information:

- No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- The Company has not entered any transactions with the companies struck off under section 248 of the Companies Act, 2013, or section 560 of Companies Act, 1956 except as disclosed in financial statements (refer note 42).
- There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- The Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.

44. Previous year figures have been regrouped / reclassified to confirm to current period's classification. Also refer to note 40.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number.: 101248W/W-100022



Manish Gupta
Partner

Membership No: 095037

For and on behalf of the Board of Directors of
Jubilant Generics Limited



Jasdeep Singh
Gurdeepsingh Sood
Whole-time Director

DIN: 03383578



Dr. Jaidev Sanjeev
Rajpal
Managing Director
& CEO

DIN: - 09734618

Place: Noida
Date: 29 May 2023

Place: Noida
Date: 26 May 2023

Place: Noida
Date: 26 May 2023

Jubilant Generics Limited
Ind AS Standalone financial statements for the year ended 31 March 2022

BSR & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurgaon – 122 002, India

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Independent Auditor's Report

To the Members of Jubilant Generics Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jubilant Generics Limited (the "Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under applicable laws and regulations.



Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on



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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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 30 to the financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company



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- d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No. 101248W/W-100022



Manish Gupta
Partner
Membership No. 095037
UDIN: 22095037AJRKWR6299

Place: Delhi
Date: May 26, 2022

Annexure A to the Independent Auditor's Report on Financial Statements of Jubilant Generics Limited

(Referred to in our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, certain discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.



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- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security, granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has renewed loan to one company during the year, details of the loan is stated in sub-clause (B) as below. The Company has not provided any loans, secured or unsecured, to firms, limited liability partnership or any other parties during the year

A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loan during the year to parties other than one fellow subsidiary.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to a loan renewed to one fellow subsidiary is as below:

In INR million

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	7	-
Balance outstanding as at balance sheet date				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	7	-

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loan given is, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given (including loan renewed during the year) in earlier years, in our opinion the repayment of principal and payment of interest has been stipulated. As stipulated, there was no repayment or receipt due during the

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year. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans falling due during the year were renewed or extended or settled by fresh loans:

In INR million

Name of the parties	Aggregate amount dues renewed or extended or settled by fresh loans	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Jubilant Draximage Limited	7.00	100%

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of loans granted and the investments made by the Company, in our opinion the provisions of Section 185 and 186 of the Act, as applicable, have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.



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According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute, except as mentioned below:

Name of the Statute	Nature of the Dues	Amount involved*	Amount paid under protest	Financial year	Forum where dispute is pending
		(Rs. in million)	(Rs. in million)	to which the amount relates	
Central Excise Act, 1944	Excise Duty	3.59	-	2010-11	High court, Uttarakhand
		0.05	-	2011-12	Deputy Commissioner (Excise), Dehradun
Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.80	1.8	2018-19	Joint Commissioner, Commercial Tax (Appeal)
		5.67	0.51	2019-20	Deputy Commissioner

*amount as per demand orders including interest and penalty, wherever indicated in the order.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.



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- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.



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- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company. For reporting on this clause / sub clause, while we have performed the audit procedures, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Board of Director's report is expected to be made available to us after the date of this auditor's report.



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- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.101248W/W-100022



Manish Gupta

Partner

Membership No. 095037

UDIN: 22095037AJRKWR6299

Place: Delhi

Date: May 26, 2022

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Annexure B to the Independent Auditors' report on the financial statements of Jubilant Generics Limited for the year ended 31 March 2022.

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

Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of Jubilant Generics Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.101248W/W-100022



Manish Gupta

Partner

Membership No. 095037

UDIN: 22095037AJRKWR6299

Place: Delhi

Date: May 26, 2022

Jubilant Generics Limited
Balance Sheet as at 31 March 2022

		INR in million	
	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	7,445.41	7,716.66
Capital work-in-progress	3	642.99	287.01
Goodwill	4	1,371.36	1,371.36
Other intangible assets	4	284.86	522.17
Intangible assets under development	4	3,346.89	3,568.33
Right of use assets	37	115.12	176.69
Financial assets			
i. Investments	5(a)	4,055.00	4,055.00
ii. Loans	5(b)	3,255.39	3,256.03
iii. Others	5(c)	44.63	43.27
Deferred tax assets (net)	6	1,087.81	1,108.55
Income tax assets (net)		2.90	5.31
Other non-current assets	7	17.62	20.50
Total non-current assets		21,669.98	22,130.88
Current assets			
Inventories	8	5,014.03	4,490.30
Financial assets			
i. Trade receivables	5(d)	1,927.08	1,866.87
ii. Cash and cash equivalents	5(e)	5.46	47.90
iii. Other bank balances	5(f)	3.83	56.55
iv. Loans	5(b)	7.22	7.00
v. Other financial assets	5(g)	870.96	544.62
Other current assets	9	1,136.61	1,104.59
Total current assets		8,965.19	8,117.83
Total assets		30,635.17	30,248.71

....Continued



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Jubilant Generics Limited
Balance Sheet as at 31 March 2022

		INR. in million	
	Notes	As at 31 March 2022	As at 31 March 2021
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10(a)	25.80	25.80
Other equity		25,350.54	25,217.37
Total equity		25,376.34	25,243.17
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease Liabilities	11(b)	71.47	137.52
Provisions	13	313.53	325.38
Other non-current liabilities	12 (a)	61.01	75.71
Total non-current liabilities		446.01	538.61
Current liabilities			
Financial liabilities			
i. Borrowings	11(a)	640.00	200.01
ii. Lease Liabilities	11(b)	65.56	60.40
iii. Trade payables	11(c)		
Total outstanding dues of micro enterprises and small enterprises		33.11	43.26
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,394.73	2,336.75
iv. Other financial liabilities	11(d)	685.99	536.11
Other current liabilities	12 (b)	894.58	1,175.72
Provisions	13	93.05	70.92
Current tax liabilities (net)		5.80	43.76
Total current liabilities		4,812.82	4,466.93
Total liabilities		5,258.83	5,005.54
Total equity and liabilities		30,635.17	30,248.71

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022



Manish Gupta

Partner

Membership No: 095037

Place: Delhi

Date: 26 May 2022

For and on behalf of the Board of Directors of
Jubilant Generics Limited



Ramamurthi Kumar

Whole-time Director

DIN: 09139426

Place : Noida

Date: 26 May 2022



Jasdeep Singh

Whole-time Director

DIN: 03383578

Place : Noida

Date: 26 May 2022



Jubilant Generics Limited
Statement of Profit and Loss for the year ended 31 March 2022

		INR in million	
	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	14	12,608.00	14,531.02
Other income	15	288.32	240.51
Total income		12,896.32	14,771.53
Expenses			
Cost of materials consumed	16	5,116.74	5,323.21
Purchases of stock-in-trade		137.31	88.60
Changes in inventories of finished goods, stock-in-trade and work-in-progress	17	(436.69)	163.94
Employee benefits expense	18	2,343.02	2,173.80
Finance costs	19	25.98	19.43
Depreciation, amortisation and impairment expense	20	1,147.58	1,277.16
Other expenses	21	4,381.45	3,574.99
Total expenses		12,715.39	12,621.13
Profit before tax		180.93	2,150.40
Tax expense/(benefits)	22		
- Current tax		40.64	392.91
- Deferred tax charge/(credit)		15.99	460.57
Total tax expense/(benefits)		56.63	853.48
Profit for the year		124.30	1,296.92
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement of defined benefit obligations		13.63	3.34
Income tax relating to items that will not be reclassified to profit or loss	22	(4.76)	(1.17)
Other comprehensive income for the year, net of tax		8.87	2.17
Total other comprehensive income		8.87	2.17
Total comprehensive income		133.17	1,299.09
Earning per equity share of INR 10 each	36		
Basic (INR)		48.18	502.75
Diluted (INR)		48.18	502.75

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022



Manish Gupta

Partner

Membership No: 095037

Place: Delhi

Date: 26 May 2022

For and on behalf of the Board of Directors of
Jubilant Generics Limited



Ramamurthi Kumar
Whole-time Director
DIN: 09139426

Place : Noida
Date: 26 May 2022



Jasdeep Singh
Gurdeep Singh Sood
Whole-time Director
DIN: 03383578

Place : Noida
Date: 26 May 2022



Jubilant Generics Limited

Statement of Changes in Equity for the year ended 31 March 2022

a) Equity share capital

	INR in million
Balance as at 1 April 2020	25.80
Issue of equity shares	-
Balance as at 31 March 2021	25.80
Issue of equity shares	-
Balance as at 31 March 2022	25.80

(b) Other Equity (1)

	Reserves and surplus			Total reserves and surplus and other comprehensive income	Total other equity
	Capital reserve	Securities premium	Retained earnings		
As at 1 April 2020	3,512.42	15,572.04	4,833.82	23,918.28	23,918.28
Profit for the year	-	-	1,296.92	1,296.92	1,296.92
Other comprehensive income	-	-	2.17	2.17	2.17
Total comprehensive income for the year	-	-	1,299.09	1,299.09	1,299.09
As at 31 March 2021	3,512.42	15,572.04	6,132.91	25,217.37	25,217.37
Profit for the year	-	-	124.30	124.30	124.30
Other comprehensive income	-	-	8.87	8.87	8.87
Total comprehensive income for the year	-	-	133.17	133.17	133.17
As at 31 March 2022	3,512.42	15,572.04	6,266.08	25,350.54	25,350.54

(1) Refer note 10(b) for nature and purpose of other equity

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022



Manish Gupta

Partner

Membership No: 095037


Ramamurthi Kumar
Whole-time Director
DIN: 09139426

For and on behalf of the Board of Directors of
Jubilant Generics Limited


Jasjeet Singh
Gurdeep Singh Sood
Whole-time Director
DIN: 03383578

Place: Delhi

Date: 26 May 2022

Place : Noida

Date: 26 May 2022

Place : Noida

Date: 26 May 2022



Jubilant Generics Limited
Statement of Cash Flows for the Year ended 31 March 2022

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flows from operating activities		
Profit before tax	180.93	2,150.40
Adjustments :		
Depreciation and amortisation expense	1,147.58	1,277.16
(Gain)/loss on sale/disposal/discard of property, plant and equipment (net)	(83.24)	15.17
Finance costs	25.98	19.43
Unrealised foreign exchange loss	35.63	19.63
Allowance for expected credit loss	24.72	1.25
Interest income	(203.61)	(218.97)
Operating cash flows before working capital changes	1,127.99	3,264.07
(Increase) in trade receivables, loans, other financial assets	(467.41)	(163.03)
(Increase) in inventories	(523.73)	(573.01)
(Decrease) in trade payables, other financial liabilities, other liabilities and provisions	(158.84)	(1,575.67)
Cash generated from operations	(21.99)	952.36
Income tax paid (net of refunds)	(76.19)	(308.34)
Net cash (used)/generated from operating activities	(98.18)	644.02
B. Cash flows from investing activities		
Purchase of property, plant and equipment, other intangible assets (including capital work-in-progress and intangible assets under development)	(684.24)	(847.97)
Proceeds from sale of property plant and equipment	152.05	8.08
Investment in deposits	52.72	(3.19)
Interest received	200.64	221.63
Net cash used in investing activities	(278.83)	(621.45)
C. Cash flows from financing activities #		
Proceeds from short term borrowings (net of repayments)	439.99	(799.17)
Finance costs paid	(38.19)	(89.81)
Payment of lease liabilities	(67.23)	(53.58)
Net cash generated/(used in) from financing activities	334.57	(942.56)
Net (decrease) in cash and cash equivalents (A+B+C)	(42.44)	(919.99)
Add: cash and cash equivalents at the beginning of year	47.90	967.89
Cash and cash equivalents at the end of the year (refer note 5(e))	5.46	47.90

Refer note 11(b) for changes in liabilities arising from financing activities.

Note:

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
2. Bank balances of INR 3.83 million (Previous year INR 56.55 million) has restricted use.
3. During the year, the Company paid in cash INR 30.55 million (previous year INR 19.05 million) towards corporate social responsibility (CSR) expenditure (included in donation refer note 33).

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICA Firm Registration Number : 101248W/W-100022

Manish Gupta

Partner

Membership No: 095037

Place: Delhi

Date: 26 May 2022

For and on behalf of the Board of Directors of
Jubilant Generics Limited

Ramamurthi Kumar

Whole-time Director

DIN: 09139426

Place : Noida

Date: 26 May 2022

Jasdeep Singh

Whole-time Director

DIN: 03583578

Place : Noida

Date: 26 May 2022



1. Corporate Information

Jubilant Generics Limited ("the Company") is a public limited company domiciled in India and incorporated on 25 November 2013 under the provisions of Companies Act, 1956. The Company is incorporated to engage in the manufacture and supply of Generics (including Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations). The registered office of the Company is situated at Plot No 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh 201301. During the year 2020, the Company acquired the India Branded Pharmaceuticals ("IBP") business from Jubilant Pharmova Limited erstwhile Jubilant Life sciences Limited, which is a formulations business that caters to the Indian market.

The Scheme of Arrangement ("the Scheme") for demerger of the Active Pharmaceuticals Ingredients business undertaking of Jubilant Generics Limited ("JGL") and vesting of the same with the Jubilant Pharmova Limited (Ultimate Holding Company) on a going concern basis, with an appointed date of 1 April 2022 was approved by Hon'ble National Company Law Tribunal, Allahabad Bench ("the Tribunal") vide its order ("the Order") dated 23 May 2022. The Company is in the process of filing the certified copy of the Order from the Tribunal with the Registrar of Companies for registration in terms the requirements under the Companies Act, 2013, to make the Scheme effective upon such filing.

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

These Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

All the amounts included in the financial statements are reported in millions of Indian Rupees and are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements are authorized for issue by the Company's Board of Directors on 26 May, 2022.

In accordance with Rule 6 of the Companies (Accounts) Rules, 2014, the Company does not prepare consolidated financial statements.

(ii) Historical cost convention

The standalone financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.



(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified a period of less than twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

(c) Business Combinations

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognised in the Statement of Profit or Loss and Other Comprehensive Income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities & contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities



acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(d) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in- progress.

(ii) Intangible assets

• **Goodwill**

Goodwill arising on business combinations is disclosed in the Balance sheet and is carried at cost less accumulated impairment losses.

Internally generated goodwill is not recognised as an asset.

With regard to other internally generated intangible assets:

- Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
- Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company



intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of PPE). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

- Intangible assets that are acquired (including implementation of software system) are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of PPE as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Motor vehicles (Vehicle -Owned)	5 years	8 years
Computer servers and networks (included in office equipment)	5 years	6 years
Dies and punches for manufacture of dosage formulations	1-2 years	15 years
Change parts for manufacture of dosage formulations	5 years	15 years
Employee perquisite related assets (except end user computers) (included in office equipment)	5 years, being the period of perquisite scheme	10 years
Leasehold improvements	10 years	Period of lease

Leasehold land which qualifies as finance lease is amortised over the lease period on straight line basis.

The estimated useful lives of intangibles are as follows:

Internally generated product registration	5 years
Rights	5 years
Software	5 years

Depreciation and amortization on property, plant and equipment and intangible assets added/ disposed off during the year has been provided on pro-rata basis.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.




(iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

(e) Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, property, plant and equipment and intangible assets are no longer depreciated or amortised.

(f) Impairment of non-financial assets

Goodwill, intangible assets that have an indefinite useful life and intangible assets under development are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. The company's other non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount

that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in subsidiaries and associate

Investments in subsidiaries and associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those

are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

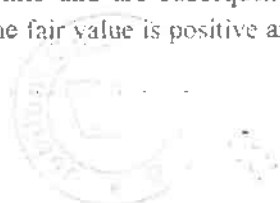
Derecognition of financial liabilities

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

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign-exchange forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting



Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(h) Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable. The cost of work in progress and manufactured finished goods include an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(i) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(j) Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(k) Revenue recognition

Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognized over the period over which the company satisfies the underlying performance obligations. In respect of outsourcing contracts for drug development with third party Clinical Research Organization (CRO), revenue is recognized on the basis of actual cost incurred plus mark up as agreed with the customer under each agreement.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as Goods and services tax (GST), sales tax, excise duty, value added tax and applicable discounts and allowances including expected sales return etc. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels etc.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

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

Interest income is recognised using the effective interest method.

(l) Employee benefits

(i) *Short-term employee benefits:* All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) *Post-employment benefits:* Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:



(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment.

(b) Provident fund

(i) The Company makes contribution to the recognised provident fund - "VAM EMPLOYEES PROVIDENT FUND TRUST" (a multi-employer trust) for most of its employees in India. During the year the Company transferred the balance in VAM EMPLOYEES PROVIDENT FUND TRUST to Regional Provident Fund Commissioner and started to make contribution with Regional Provident Fund Commissioner for all the employees with effect from 1 December 2021. This is treated as defined contribution plan.

The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(ii) *Other long-term employee benefits:*

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iii) *Termination benefits:*

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Actuarial valuation

The liability in respect of all defined benefit plans and other long term benefits at the end of the financial year is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses are recognised in the Statement of Profit and Loss in the period in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity

and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit and loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit or Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced)

(m) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

• **Current tax:**

- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.
- Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



• *Deferred tax:*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(o) Leases

Leases – Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

The Company's lease asset classes primarily consist of leases for Land, buildings and vehicles which typically run for a period of 3 to 10 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statements of Profit or Loss and Other Comprehensive Income.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(p) Segment reporting

Board of Directors of the Company had been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Company has determined pharmaceutical as the only reportable segment.

(q) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the



dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at Balance Sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(r) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(u) Critical estimates and judgments

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

- Assessment of useful life of property, plant and equipment and intangible assets – Note 2(d)
- Valuation of inventories – Note 2(h)
- Recognition of revenue – Note 2(k)
- Fair value measurement – Note 2(t) and 25
- Estimation of assets and obligations relating to employee benefits – Note 2(i) and 24
- Recognition and estimation of tax expense including deferred tax – Note 2(n), 6 and 22
- Estimated impairment of financial assets and non-financial assets – Note 2(f) and 2(g)



- Recognition and measurement of contingency : Key assumption about the likelihood and magnitude of an outflow of resources – Note 30
 - Lease term: whether the Company is reasonably certain to exercise extension options – Note 2(p) and 37
- (v) The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company, as at the date of approval of these financial statements, has used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

(w) Recent accounting pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.



Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.



3. Property, plant and equipment and capital work-in-progress

INR in million

Description	Land-freehold	Building-factory	Building-Other equipment	Plant and fixtures	Furniture and fixtures	Vehicles-owned equipment	Office equipment	Total	Capital work-in-progress (CWIP)
Gross carrying value as at 1 April 2021	597.83	1,656.82	296.07	7,938.50	273.22	3.96	275.44	11,041.84	287.01
Additions/adjustments (3)	-	15.50	0.13	355.57	8.43	11.30	29.58	420.51	776.49
Deductions/adjustments	-	-	-	(56.88)	(0.99)	(3.47)	(7.31)	(68.65)	(420.51)
Gross carrying value as at 31 March 2022	597.83	1,672.32	296.20	8,237.19	280.66	11.79	297.71	11,393.70	642.99
Accumulated depreciation as at 1 April 2021	-	282.10	39.98	2,733.89	116.67	2.37	150.17	3,325.18	-
Depreciation charge for the year	-	59.90	15.46	520.79	22.85	2.32	44.34	665.66	-
Deductions/adjustments	-	-	-	(33.60)	(0.93)	(3.40)	(4.62)	(42.55)	-
Accumulated depreciation as at 31 March 2022	-	342.00	55.44	3,221.08	138.59	1.29	189.89	3,948.29	-
Net carrying value as at 31 March 2022	597.83	1,330.32	240.76	5,016.11	142.07	10.50	107.82	7,445.41	642.99

INR in million

Description	Land-freehold	Building-factory	Building-Other equipment	Plant and fixtures	Furniture and fixtures	Vehicles-owned equipment	Office equipment	Total	Capital work-in-progress (CWIP)
Gross carrying value as at 1 April 2020	597.83	1,629.40	272.14	7,679.89	267.33	3.94	236.39	10,686.92	321.96
Additions/adjustments (3)	-	27.42	23.93	311.95	7.54	0.02	42.33	413.19	372.33
Deductions/adjustments	-	-	-	(53.34)	(1.65)	-	(3.28)	(58.27)	(407.28)
Gross carrying value as at 31 March 2021	597.83	1,656.82	296.07	7,938.50	273.22	3.96	275.44	11,041.84	287.01
Accumulated depreciation as at 1 April 2020	-	222.53	24.73	2,238.02	94.83	1.92	108.56	2,690.59	-
Depreciation charge for the year	-	59.57	15.25	530.17	23.16	0.45	41.93	670.53	-
Deductions/adjustments	-	-	-	(34.30)	(1.32)	-	(0.32)	(35.94)	-
Accumulated depreciation as at 31 March 2021	-	282.10	39.98	2,733.89	116.67	2.37	150.17	3,325.18	-
Net carrying value as at 31 March 2021	597.83	1,374.72	256.09	5,204.61	156.55	1.59	125.27	7,716.66	287.01



Notes:

- (1) Refer note 31(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (2) Refer note 19 for finance costs capitalised.
- (3) Includes INR 68.54 in respect of research and development assets (previous year INR 23.01 million).
- (4) Capital research and development expenditure aggregating to INR 64.18 million (previous year INR 30.91 million) incurred during the year included in additions to property plant & equipment/ capital work-in-progress.

Ageing detail of Tangible capital work in progress as at 31 March 2022 is as follows :

(INR in million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	501.11	60.12	56.15	25.61	642.99

Ageing detail of Tangible capital work in progress as at 31 March 2021 is as follows :

(INR in million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	181.78	75.03	19.71	10.49	287.01

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan.

4. Goodwill, other intangible assets and intangible assets under development

INR in million

Description	Goodwill	Internally generated product registration/ market authorisation (a)	Rights (b)	Software (c)	Total (a+b+c)	Intangibles assets under development
Gross carrying value as at 1 April 2021	1,371.36	2,725.22	15.81	275.90	3,016.93	3,568.33
Additions/adjustments (1)	-	67.76	-	17.64	85.40	378.39
Deductions/adjustments (3)	-	(63.14)	-	-	(63.14)	(599.83)
Gross carrying value as at 31 March 2022	1,371.36	2,729.84	15.81	293.54	3,039.19	3,346.89
Accumulated amortisation as at 1 April 2021	-	2,286.11	15.81	192.84	2,494.76	-
Amortisation for the year	-	225.88	-	54.12	280.00	-
Deductions/adjustments (3)	-	(20.43)	-	-	(20.43)	-
Accumulated amortisation as at 31 March 2022	-	2,491.56	15.81	246.96	2,754.33	-
Net carrying value as at 31 March 2022	1,371.36	238.28	-	46.58	284.86	3,346.89




INR in million

Description	Goodwill	Internally generated product registration/ market authorisation (a)	Rights (b)	Software (c)	Total (a+b+c)	Intangibles assets under development
Gross carrying value as at 1 April 2020	1,371.36	2,578.43	15.81	253.57	2,847.81	3,472.55
Additions/adjustments (1)	-	146.79	-	22.33	169.12	524.09
Deductions/adjustments (3)	-	-	-	-	-	(428.31)
Gross carrying value as at 31 March 2021	1,371.36	2,725.22	15.81	275.90	3,016.93	3,568.33
Accumulated amortisation as at 1 April 2020	-	2,032.45	15.81	141.36	2,189.62	-
Amortisation for the year	-	253.66	-	51.48	305.14	-
Deductions/adjustments (3)	-	-	-	-	-	-
Accumulated amortisation as at 31 March 2021	-	2,286.11	15.81	192.84	2,494.76	-
Net carrying value as at 31 March 2021	1,371.36	439.11	-	83.06	522.17	3,568.33

Ageing detail of Intangible capital work in progress as at 31 March 2022 is as follows :

(INR in million)

Particulars	Intangible capital work in progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	249.38	298.15	441.26	2358.10	3346.89

Ageing detail of Intangible capital work in progress as at 31 March 2021 is as follows :

(INR in million)

Particulars	Intangible capital work in progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	462.39	536.96	418.23	2150.75	3568.33

Project execution plans are modulated basis capacity requirement and priority assessment on an annual basis and all the projects are executed as per rolling annual plan.



Notes:

- (1) Represents INR 67.76 million (previous year INR 146.79 million) in respect of research and development assets.
- (2) Capital research and development expenditure aggregating to INR 378.39 million (previous year INR 514.74 million) incurred during the year included in additions to Intangible assets/Intangible assets under development.
- (3) The carrying value of internally generated product registration and other intangibles (including intangible assets under development) is reviewed annually and was last reviewed on 31 March 2022 and based on prevailing market conditions, technical and financial assessment, INR 156.37 million (previous year INR 259.19 million) had been charged off during the year ended 31 March 2022 and included under depreciation and amortization expense in the Statement of Profit and Loss. The estimate of value in use was determined using a discount rate of 11.21% (previous year 11.55%). Further the company has sold intangibles under development amounting INR 375.70 million (previous year nil) to its fellow subsidiary Jubilant Cadista Pharmaceuticals Inc.
- (4) For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the lowest level at which the goodwill is monitored for internal management purposes, which is not higher than the Company's operating segments. Accordingly, the Company is considered as a single CGU

The recoverable amount of the above cash generating unit was based on its value in use. The value in use of these units was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

- i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.
- ii. The terminal growth rate of upto 0.5% (previous year: 0.5%) is considered for all periods presented, representing management view on the future long-term growth rate.
- iii. Discount rate considered is 11.21% (previous year: 11.55%) is considered for all periods presented, in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and industry's weighted average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

- (5) Refer Note 19 for finance costs capitalized




5(a) Non-current investments

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Investment in equity shares (at cost)		
Unquoted investment (fully paid up)		
(A) Subsidiary:		
Jubilant Pharma NV	965.00	965.00
[13,900,000 (Previous year 13,900,000) equity shares of face value Euro 1 per share]		
(B) Associate:		
Jubilant Pharma Holdings Inc.	3,090.00	3,090.00
[200 (Previous year 200) equity shares with no par value]		
Total non-current investments	4,055.00	4,055.00
Aggregate amount of unquoted investments	4,055.00	4,055.00

5(b) Loans

	INR in million			
	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to related parties (Refer Note 29)	7.00	3,250.00	7.00	3,250.00
Loan to employees	0.22	5.39	-	6.03
Total loans	7.22	3,255.39	7.00	3,256.03

5(c) Others

	INR in million			
	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Deposits accounts with maturity more than twelve months from the reporting date- held as margin money	-	-	-	0.23
Security deposits	-	44.63	-	43.04
Total others	-	44.63	-	43.27



5(d) Trade receivables

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Unsecured and current		
Trade receivables considered good	1,343.84	1,590.12
Receivables from related parties (Refer Note -29)	583.24	276.75
Trade receivables which have significant increase in credit risk	33.90	10.20
Less: Expected credit loss allowance	(33.90)	(10.20)
Total trade receivables	1,927.08	1,866.87

Ageing for trade receivables outstanding as at March 31, 2022 is as follows :

(INR in million)

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade receivables							
Undisputed Trade Receivable - Considered Good	1336.11	358.63	238.91	17.54	0.58	3.21	1954.98
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	0.82	0.59	4.59	6.00
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	1336.11	358.63	238.91	18.36	1.17	7.80	1960.98
Less: Allowance for doubtful trade receivables							(33.90)
							1927.08

Ageing for trade receivables outstanding as at March 31, 2021 is as follows :

(INR in million)

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade receivables							
Undisputed Trade Receivable - Considered Good	1,255.58	327.93	260.30	3.42	5.14	18.82	1,871.19
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	0.82	0.56	4.50	-	5.88
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	1255.58	327.93	261.12	3.98	9.64	18.82	1877.07
Less: Allowance for doubtful trade receivables							(10.20)
							1866.87

5(e) Cash and cash equivalents

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Balances with banks		
- in current accounts	5.23	33.85
Cash on hand	0.11	0.42
Others		
- funds in transit	-	13.53
- imprest	0.12	0.10
Total cash and cash equivalents	5.46	47.90

5 (f) Other bank balance

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Deposits accounts with maturity up to twelve months from the reporting date- held as margin money	3.83	56.55
Total other bank balance (1)	3.83	56.55

(1) These have restricted use

5(g) Other current financial assets

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
	Current	Current
Advances recoverable from related parties	669.74	332.72
Interest receivable from related parties	16.91	14.22
Insurance claim recoverable	131.74	145.95
Contract asset	38.92	42.18
Interest receivable	2.51	2.23
Others	11.14	7.32
Total other financial assets	870.96	544.62

6. Deferred tax

Deferred income tax reflect the net tax effects of temporary differences between the carrying amount of asset and liabilities for financial reporting purposes and the amount used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:



The balance comprises temporary differences attributable to:

Deferred tax assets

	INR in million							
	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	Tax losses carried forward	MAT Credit Entitlement	Intangibles	Lease Liability	Others	Total
As at 1 April 2020	97.81	29.31	1,407.43	1,196.34	458.13	47.89	13.69	3,250.61
(Charged)/Credited:								
- to statement of profit and loss	14.42	4.28	(616.31)	392.47	(137.34)	1.92	10.16	(330.39)
- to Other comprehensive income	(1.17)	-	-	-	-	-	-	(1.17)
As at 31 March 2021	111.06	33.59	791.13	1,588.81	320.79	49.81	23.86	2,919.05
(Charged)/Credited:								
- to statement of profit and loss	4.93	3.13	(29.91)	40.46	(85.90)	(16.57)	5.15	(78.71)
- to Other comprehensive income	(4.76)	-	-	-	-	-	-	(4.76)
As at 31 March 2022	111.23	36.72	761.22	1,629.27	234.89	33.24	29.01	2,835.58

The balance comprises temporary differences attributable to:

Deferred tax liabilities:

	INR in million			
	PPE, Intangibles and Right of use assets	Difference in tax value and book value of R&D CWIP/ Intangible and Intangibles under development	Others	Total
As at 1 April 2020	870.23	802.78	7.32	1,680.33
(Charged)/Credited:				
- to statement of profit and loss	125.99	7.33	(3.15)	130.17
As at 31 March 2021	996.22	810.11	4.17	1,810.50
(Charged)/Credited:				
- to statement of profit and loss	3.25	(62.04)	(3.94)	(62.73)
As at 31 March 2022	999.47	748.07	0.23	1,747.77

Reflected in the Balance Sheet as follows:

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Deferred tax assets	2,835.58	2,919.05
Deferred tax liabilities	1,747.77	1,810.50
Deferred tax assets, net:	1,087.81	1,108.55

Deferred tax has not been recognized on temporary differences in relation to indexation benefit of investment in subsidiaries and freehold land amounting to INR 303.08 million (previous year 240.10 million) and INR 44.68 million (previous year 35.40 million) respectively, as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

7. Other non-current assets

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Capital advances	17.62	20.50
Total other non-current assets	17.62	20.50

8. Inventories

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Raw materials*	1,555.20	1,577.98
Work-in-progress	2,074.26	1,862.18
Finished goods*	798.74	554.24
Traded goods	50.40	70.29
Stores and spares	439.77	314.30
Packing material	82.29	99.84
Others- process chemicals and fuels	13.37	11.47
Total inventories	5,014.03	4,490.30

*Goods in transit, included in above

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Raw materials	139.17	72.75
Finished goods	256.02	123.17
Total inventories	395.19	195.92

Total write down of inventories recognised during the year	438.77	310.40
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Cost of inventories (including cost of purchased products) recognised as an expense amounted to INR 6,637.37 million (previous year INR 8,622.14 million).

9. Other current assets

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Prepaid expenses	164.07	143.93
Recoverable from/ balance with government authorities	787.06	894.48
Advance to employees	9.16	3.21
Asset held for sale	14.14	-
Advance for supply of goods and services	162.18	62.97
Total other current assets	1,136.61	1,104.59



10. Equity share capital and other equity

10(a) Equity share capital

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Authorised		
3,000,000 (Previous year 3,000,000) equity shares of INR 10 each	30.00	30.00
	30.00	30.00
Issued and subscribed		
2,579,665 (Previous year 2,579,665) equity shares of INR 10 each	25.80	25.80
	25.80	25.80
Paid up		
2,579,665 (Previous year 2,579,665) equity shares of INR 10 each	25.80	25.80
	25.80	25.80

Movements in equity share capital

	As at 31 March 2022		As at 31 March 2021	
	Number	INR in million	Number	INR in million
At the commencement of the period	2,579,665	25.80	2,579,665	25.80
At the end of the period	2,579,665	25.80	2,579,665	25.80

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of INR 10 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the company

At commencement of the year and end of the period	As at 31 March 2022		As at 31 March 2021	
	Number	% of total shares	Number	% of total shares
Equity shares of INR10 each fully paid-up held by				
Jubilant Pharma Limited, Singapore - the holding company (including 6 shares held jointly with 6 individuals)	2,579,665	100%	2,579,665	100%

Disclosure of shareholding of promoters:

At commencement of the year and end of the period	As at 31 March 2022		As at 31 March 2021	
	Number	% of total shares	Number	% of total shares
Equity shares of INR10 each fully paid-up held by				
Jubilant Pharma Limited, Singapore - the holding company (including 6 shares held jointly with 6 individuals)	2,579,665	100%	2,579,665	100%

10(b) Other equity

Nature and purpose of other equity

Capital reserve

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently. Represents difference between the consideration and carrying amount of net assets/liabilities for transactions among entities under common control to transfer out/in of any business or shares of entities under common control.

Securities premium

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilized in accordance with the provisions of the Act.

11(a) Current borrowings

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Loans repayable on demand		
From banks		
Secured	640.00	200.01
Total current borrowings	640.00	200.01

Notes:

- Working capital facilities (including cash credit) sanctioned by consortium of banks and financial institutions are secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts, receivables and inventories, both present and future, of the Company. All working capital loans are repayable on demand.
- Short-term loans are availed in Indian rupees. Indian rupee loans carry interest rate ranging from 3.62% to 7.75% p.a. (Previous year interest rate ranging from 3.78% to 9.20%) p.a.
- Inventory and Trade receivables with a carrying amount of INR 5,014.03 million (previous year INR 4,490.30 million), and INR 1,927.08 million (previous year INR 1,866.87 million) respectively are provided as security against borrowing at year end.
- The Company had availed fund based and non-fund based working capital facility of INR 5,000 million (previous year INR 5,000 million) from a consortium of banks. The facility is secured by way of hypothecation of the company's entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables current assets including book-debts, receivables, both present and future, on a first charge basis ranking pari passu with other participating consortium member banks.

The carrying amounts of assets pledged as security for current borrowings are:

	Notes	(INR in million)	
		As at 31 March 2022	As at 31 March 2021
Financial assets			
First Pari Passu charge			
Receivables	5(c)	1,927.08	1,866.87
Inventories	8	5,014.03	4,490.30
Total current assets pledged as security		6,941.11	6,357.17

- During the previous year, the Company had availed an overdraft facility of INR 50.00 million from a bank, against a fixed deposit of INR 52.95 million placed with the bank.



11(b) Reconciliation of movements of liabilities to cash flows arising from financing activities

INR in million

	As at 31 March 2020	Financing cash flows	New finance leases	Other movements		As at 31 March 2021
				Finance costs expensed	Finance costs capitalised	
Finance lease liabilities	195.77	(53.58)	55.73	-	-	197.92
Short term loans repayable on demand (net)	999.18	(799.17)	-	-	-	200.01
Interest accrued	0.11	(89.81)	-	19.43	70.29	0.02
Total	1,195.06	(942.56)	55.73	19.43	70.29	397.95

INR in million

	As at 31 March 2021	Financing cash flows	New finance leases	Other movements		As at 31 March 2022
				Finance costs expensed	Finance costs capitalised	
Lease liabilities (previous year: finance lease liabilities)	197.92	(67.23)	6.34	-	-	137.03
Short term loans repayable on demand (net)	200.01	439.99	-	-	-	640.00
Interest accrued	0.02	(38.19)	-	25.98	14.00	1.81
Total	397.95	334.57	6.34	25.98	14.00	778.84

11(c) Trade payables

INR in million

	As at 31 March 2022	As at 31 March 2021
Current		
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises (Refer Note 35)	33.11	43.26
-Total outstanding dues of creditors other than micro enterprises and small enterprises	2,394.73	2,336.75
Total trade payables	2,427.84	2,380.01

Amount payable to related parties included in above (Refer Note 29) 327.37 447.95




Ageing for trade payables outstanding as at March 31, 2022 is as follows :

Particulars	Outstanding for the following periods from due date of payment					(INR in million)
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME*	16.90	16.04	0.02	0.12	-	33.08
Others	696.02	824.65	60.80	17.98	15.74	1,615.19
Disputed dues MSME*	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-
	712.92	840.69	60.82	18.10	15.74	1648.27
Expenses accrued	-	-	-	-	-	779.57
Total	-	-	-	-	-	2427.84

Ageing for trade payables outstanding as at March 31, 2021 is as follows :

Particulars	Outstanding for the following periods from due date of payment					(INR in million)
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME*	37.41	5.85	0.00	0.00	0.00	43.26
Others	944.56	744.83	22.69	23.99	82.88	1,818.95
Disputed dues MSME*	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-
	981.97	750.68	22.69	23.99	82.88	1862.21
Expenses accrued	-	-	-	-	-	517.80
Total	-	-	-	-	-	2380.01

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

11(d) Other current financial liabilities

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	1.81	0.02
Security deposit	2.70	1.00
Capital creditors*	137.99	67.39
Employee benefits payable	148.83	150.63
Other payable to related parties	394.66	317.07
Total other current financial liabilities	685.99	536.11

* Includes payable to Micro, Small & Medium enterprises INR 2.66 Million (previous year nil)

12(a) Other non-current liabilities

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Contract liabilities	18.28	26.82
Deferred income - Government grant	42.73	48.89
Total other non-current liabilities	61.01	75.71

12(b) other current liabilities

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Contract liabilities	719.13	1,055.45
Deferred income - Government grant	11.72	9.89
Statutory dues payables	163.73	110.38
Total other current liabilities	894.58	1,175.72

13. Provisions

	INR in million			
	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 24)	82.33	313.53	61.04	325.38
Other provisions	10.72	-	9.88	-
Total provisions	93.05	313.53	70.92	325.38

14. Revenue from operations

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products		
- Finished goods	10,026.40	12,335.02
- Traded goods	2,190.15	1,793.01
Sale of services	3.29	47.13
Other operating revenue	388.16	355.86
Total revenue from operations	12,608.00	14,531.02

Disaggregation of revenue:

In the following table, revenue is disaggregated by primary geographical market, service lines and sales channels.

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Primary geographical markets		
India	2,864.35	2,433.24
Americas and Europe	6,766.80	9,384.59
Rest of the world	2,588.69	2,357.33
Total	12,219.84	14,175.16
Major product/service line		
API	5,637.89	6,599.36
Dosage	6,581.95	7,575.79
Total	12,219.84	14,175.15
Sales Channels		
Wholesalers/distributors	6,581.95	7,575.79
Manufacturers	5,637.89	6,599.36
Total	12,219.84	14,175.15



Contract Balances

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Trade receivables	1,927.08	1,866.87
Contract assets	38.92	42.18
Contract liabilities	737.41	1,082.28

The amount of INR 1,026.39 million (previous year INR 1,632.94 million) recognised in contract liabilities at the beginning of the period has been recognised as revenue for the current year.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations, excluding those where original expected duration of one year or less, amounts to INR 62.34 million (previous year INR 81.87 million) majority of which is expected to be recognised as revenue in next 2 years.

15. Other income

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income	203.61	218.97
Net foreign exchange gain	-	20.36
Gain on sale/disposal/discard of property, plant and equipments (net)	83.24	-
Other items	1.47	1.18
Total other income	288.32	240.51

16. Cost of materials consumed

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials consumed	5,116.74	5,323.21
Total cost of materials consumed	5,116.74	5,323.21



17. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance		
Work-in-progress	1,862.18	1,895.85
Finished goods	554.24	730.74
Stock-in-trade	70.29	24.06
Total opening balance	2,486.71	2,650.65
Closing balance		
Work-in-progress	2,074.26	1,862.18
Finished goods	798.74	554.24
Stock-in-trade	50.40	70.29
Total closing balance	2,923.40	2,486.71
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	(436.69)	163.94

18. Employee benefits expense

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages, bonus, gratuity and allowances	2,064.10	1,902.46
Contribution to provident fund and other funds	106.79	99.07
Staff welfare expenses	172.13	172.27
Total employee benefits expense	2,343.02	2,173.80

19. Finance costs

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense*	22.66	18.10
Other borrowing costs	3.32	1.33
Total finance costs	25.98	19.43

* Includes interest INR 10.39 million under section 234B and 234C of the Income-tax Act, 1961 (previous year INR 2.92 million)

Note:

- (1) Finance costs on general borrowings amounting to INR 14 million (previous year INR 75.55 million) has been capitalised during the year with a capitalisation rate of 0.84% (previous year 2.74%).

20. Depreciation , amortisation and impairment expense

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment	665.66	670.53
Amortisation of right of use assets (Refer Note 37)	45.55	42.30
Impairment of intangible assets (including intangibles under development)	156.37	259.19
Amortisation of intangible assets (Refer Note 4)	280.00	305.14
Total depreciation, amortisation and impairment expense	1,147.58	1,277.16

21. Other Expenses :

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Power and fuel	687.99	583.37
Consumption of stores and spares and packing materials	708.17	641.61
Processing charges	841.87	497.06
Rental charges (refer note 29 & 37)	5.90	1.01
Rates and taxes	166.93	122.59
Insurance	55.30	49.83
Advertisement, publicity and sales promotion	82.75	19.26
Travel and conveyance	50.01	31.03
Repairs and maintenance		
Plant and machinery	165.76	130.34
Buildings	16.26	8.56
Others	118.27	91.68
Office expenses	53.35	65.12
Vehicle running and maintenance (refer note 29)	6.86	7.28
Printing and stationery	9.04	7.43
Telephone and communication charges	13.65	12.99
Staff recruitment and training	13.07	13.96
Donation (including corporate social responsibility expenditure) (refer note 33)	30.55	84.53
Payments to auditors (refer note 21 (a))	2.36	1.41
Legal and professional fees	904.68	687.93
Freight and forwarding (including ocean freight)	257.17	335.98
Directors' sitting fees	0.36	0.41
Subscription	23.49	17.58
Bank charges	9.42	9.10
Claims and other selling expenses	66.99	72.98
Commission on sales	51.70	61.98
Net foreign exchange loss	14.63	-
Allowance for expected loss / Irrecoverable advances (net)	24.72	1.25
Loss on sale/disposal/discard of property, plant and equipments (net)	-	15.17
Miscellaneous expenses	0.20	3.55
Total other expenses	4,381.45	3,574.99

21(a): Details of payments to auditors (excluding applicable taxes and including out of pocket expenses)

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Payment to auditors		
As auditor:		
Audit fee	1.06	1.06
In other capacities		
Certification and other service fees	1.30	0.35
Total payments to auditors	2.36	1.41

22. Income tax expense

The major components of income tax expenses for the year ended 31 March 2022 and 31 March 2021 are:

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<i>Profit or loss section</i>		
<i>Current income tax:</i>		
Current income tax charge for the year	40.46	393.07
Adjustments in respect of current income tax of previous years	0.18	(0.16)
	40.64	392.91
<i>Deferred tax:</i>		
Deferred tax on profits for the year	60.80	461.38
Adjustments in respect of deferred tax of previous years	(4.36)	(0.81)
	56.44	460.57
<i>MAT Credit</i>		
MAT credit on profits for the year	(40.45)	-
Adjustment in respect of MAT credit of previous years	-	-
Total MAT credit tax expense	(40.45)	-
Income tax expense reported in the Statement of Profit and Loss	56.63	853.48
<i>OCI section</i>		
Tax related to items that will not be reclassified to Profit or Loss	4.76	1.17
Income tax charged to OCI	4.76	1.17



Reconciliation between average effective tax rate and applicable tax rate for 31 March 2022 and 31 March 2021:

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before income tax	180.93	2,150.41
At India's statutory income tax rate of 34.944% (31 Mar 2021 34.944%)	63.22	751.44
Effect of non-deductible expenses and exempt income	15.34	33.97
Effect of change in tax rate on opening deferred tax balance	-	85.28
Effect of lower tax rate on temporary difference of current year	(27.05)	(18.10)
Effect of prior year re-assessments	(4.18)	0.89
Others	9.30	-
Income Tax expenses reported in the Statement of Profit and Loss	56.63	853.48

23. Research and development expenditure incurred (excluding cost of acquired intangibles, finance cost, depreciation and amortization expense) comprises:

	INR in million	
Revenue expenditure	For the year ended 31 March 2022	For the year ended 31 March 2021
Cost of material consumed	212.62	168.40
Employee benefits expense	417.96	404.62
Utilities- power	36.76	35.28
Other expenses	291.77	337.26
Total revenue expenditure (A)	959.11	945.56

Out of the above total expenditure, the amount of R&D expenditure transferred to Intangibles/ Intangible assets under development is INR 366.38 Million (previous year INR 448.42 million). This should also be read in conjunction with other disclosures made in the financial statements.

Capital expenditure (equipment)

	INR in million	
Capital expenditure	For the year ended 31 March 2022	For the year ended 31 March 2021
Equipment	64.18	30.08
Total capital expenditure (B)	64.18	30.08
Total (A+B)	1,023.29	975.64

24. Employee benefits in respect of the Company have been calculated as under:

(A) Defined Contribution Plans

The Company has certain defined contribution plan such as employee state insurance, employee pension scheme, wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:



	(INR in million)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Employer's contribution to provident fund (refer note 24 (b) (ii))	24.40	-
Employer's contribution to employee's pension scheme 1995	33.00	33.58
Employer's contribution to employee state insurance	2.06	2.18

(B) Defined Benefit Plans

i. Gratuity

In Accordance with Ind AS 19 "Employee benefits" an actuarial valuation has been carried out in respect of gratuity.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 7.2% p.a. (Previous year 6.8 % p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (Previous year 58 years) and mortality table is as per IALM (2012-14) (Previous year IALM (2012-14)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (Previous year 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return assumed on plan assets is 6.80 % p.a. (previous year 6.80% p.a.).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	(INR in million)	
	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the beginning of the year	260.72	230.59
Current service cost	36.23	35.68
Acquisition adjustment	1.78	3.81
Interest cost	17.73	15.21
Actuarial (gain)/loss	(13.63)	(3.04)
Benefits paid	(25.70)	(21.53)
Present value of obligation at the end of the year	277.13	260.72




Fair Value of Plan Assets:**

	(INR in million)	
	As at 31 March 2022	As at 31 March 2021
Plan assets at the beginning of the year	32.07	36.26
Expected return on plan assets	2.12	2.46
Contribution by employer	2.84	2.12
Actual benefits paid	(6.64)	(9.08)
Fund management charges	(0.72)	0.31
Plan assets at the end of the year	29.67	32.07

** In respect of certain employees of Nanjangud manufacturing unit of the Company.

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

	(INR in million)	
	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the end of the year	277.13	260.72
Fair value of plan assets at the end of the year	(29.67)	(32.07)
Net liabilities recognised in the Balance Sheet	247.46	228.65

Expense recognised in the statement of profit and loss under employee benefit expense:

	(INR in million)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	36.23	35.68
Interest cost	15.55	12.75
Expenses recognised in the Statement of profit and loss	51.77	48.43

Amount recognised in the other comprehensive income:

	(INR in million)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial loss/(gain) on arising from change in demographic assumption	(1.27)	0.41
Actuarial loss/(gain) on arising from change in financial assumption	(5.20)	-
Actuarial loss/(gain) on arising from experience adjustment	(7.17)	(3.45)
Actuarial loss/(gain) on plan assets	-	(0.31)

Company's best estimate of contribution during next year is INR 59.16 million (previous year INR 55.81 million).

As at 31 March 2022 and 31 March 2021, 100% of the plan assets were invested in insurer managed funds.



Sensitivity analysis

(INR in million)				
Particulars	31 March 2022		31 March 2021	
Assumptions	Discount rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(9.15)	9.73	9.74	(9.25)

(INR in million)				
Particulars	31 March 2021		31 March 2021	
Assumptions	Discount rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(6.29)	6.61	6.59	(6.34)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

ii. Provident Fund:

The Company made monthly contributions to the recognised provident fund - "VAM EMPLOYEES PROVIDENT FUND TRUST" (a multi-employer trust) for most of its employees in India, for the period starting with 1 April 2021 till 30 November 2021, post 1 December 2021 these contributions are made with the regional provident fund authority for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has contributed INR 48.30 million to Provident Fund Trust (previous year: INR 69.61 million) during the year.

(C) Other long term benefits (Compensated absences)

(INR in million)		
	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the end of the year	148.39	157.76

25. Fair value measurements

5. Fair Value Measurements

(INR in million)

			31 March 2022			31 March 2021		
	Note	Level of hierarchy	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<i>Financial assets (excluding investment in subsidiaries)</i>								
Trade receivables	(a)		-	-	1,927.08	-	-	1,866.87
Loans	(c)	3	-	-	3,262.61	-	-	3,306.07
Cash and cash equivalents	(a)		-	-	5.46	-	-	47.90
Other bank balances	(a)		-	-	3.83	-	-	56.55
Other financial assets	(a)		-	-	870.96	-	-	544.62
Total financial assets			-	-	6,069.94	-	-	5,822.01
<i>Financial liabilities</i>								
Borrowings	(a)	3	-	-	640.00	-	-	200.01
Trade payables	(a)		-	-	2,427.84	-	-	2,380.01
Other financial liabilities	(a)		-	-	685.99	-	-	536.11
Lease liability	(a)		-	-	137.03	-	-	197.92
Total financial liabilities			-	-	3,890.86	-	-	3,314.05

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques and the significant unobservable inputs used in determination of fair value of the Level 3 financial instruments not measured at fair value:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Other financial assets	<i>Discounted cash flows:</i> The valuation model considers the present value of expected receipts	Adjusted discount rate: 6.75% (2021: 6.50%)	The estimated fair value would increase (decrease) if the adjusted discount rate
Loans to related parties			

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

(c) Fair value of loans is as below :

	Level	(INR in million)	
		Fair Value	
		31 March 2022	31 March 2021
Loans	3	3,274.58	3,121.04

There are no transfers between level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.

26. Financial risk management

A. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversees the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether they are an individual or a legal entity, whether they are an institutional dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than six month (net of expected credit loss allowance) is INR 33.90 million (Previous year INR 84.29 million)

Company's exposure to credit risk for trade receivables using provision matrix is as follows:

	As at 31 March 2022			As at 31 March 2021		
	Gross carrying amount	Allowance for credit losses*	Net carrying amount	Gross carrying amount	Allowance for credit losses	Net carrying amount
Not due	1,344.36	24.46	1,319.90	1,255.21	1.24	1,253.97
0-90 days	249.83	5.89	243.94	313.12	0.37	312.75
90-180 days	110.25	0.51	109.74	214.66	0.19	214.47
180-270 days	147.61	0.25	147.36	1.76	0.31	1.45
270-360 days	87.86	0.22	87.64	57.57	0.29	57.28
More than 360 days	21.07	2.57	18.50	34.75	7.80	26.95
	1,960.98	33.90	1,927.08	1,877.07	10.20	1,866.87

Movement in the expected credit loss allowance of trade receivables are as follows:

	INR in million	
	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	10.20	13.70
(Less) / Add: Reversed / Provided during the year (net of reversal)	23.70	(3.50)
Balance at the end of the year	33.90	10.20

* Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company.

Expected credit loss with respect to other financial assets:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by the treasury department. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts exclude contractual interest payments and exclude the impact of netting agreements.

(INR in million)				
31 March 2022	Contractual Cash flows (1)			
	Carrying Amount	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	640.00	640.00	640.00	-
Lease liability	137.03	137.03	65.56	71.47
Trade payables	2,427.84	2,427.84	2,427.84	-
Other financial liabilities	685.99	685.99	685.99	-
	3,890.86	3,890.86	3,819.39	71.47

(1) Contractual cash flow excludes interest payable

(INR in million)				
31 March 2021	Contractual Cash flows (1)			
	Carrying Amount	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	200.01	200.01	200.01	-
Lease liability	197.92	197.92	60.40	137.52
Trade payables	2,380.01	2,380.01	2,380.01	-
Other financial liabilities	536.11	536.11	536.11	-
	3,314.05	3,314.05	3,176.53	137.52

(1) Contractual cash flow excludes interest payable

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk

management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which the company is exposed to risk are USD, Euro, CAD and Other.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	As at 31 March 2022				As at 31 March 2021			
	USD	Euro	CAD	Other	USD	Euro	CAD	Other
Trade and other receivables	1,874.56	191.66	32.87	139.03	1,407.05	205.26	92.02	73.63
Cash and cash equivalents	-	-	-	-	13.53	-	-	-
Trade and other payables	(1,581.53)	(73.89)	(25.58)	(35.17)	(1,289.28)	(152.88)	(91.34)	(19.75)
Net statement of financial position exposure	293.03	117.77	7.29	103.86	131.30	52.38	0.68	53.88

Sensitivity analysis

A reasonably possible strengthening/weakening of the USD, Euro, CAD and others against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	(INR in million)			
	Profit or loss (before tax)		OCI (before tax)	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2022				
USD (1% movement)	2.93	(2.93)	-	-
Euro (1% movement)	1.18	(1.18)	-	-
CAD (1% movement)	0.07	(0.07)	-	-
Other (1% movement)	1.04	(1.04)	-	-
31 March 2021				
USD (1% movement)	1.31	(1.31)	-	-
Euro (1% movement)	0.52	(0.52)	-	-
CAD (1% movement)	0.01	(0.01)	-	-
Other (1% movement)	0.54	(0.54)	-	-

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on

changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings and floating rate loan given:

	INR in Million	
	As at 31 March 2022	As at 31 March 2021
Floating rate borrowings	640.00	200.01
Floating rate loan given to ultimate holding company & fellow subsidiary	3,257.00	3,257.00

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2022 would decrease / increase by INR 1.60 million (previous year decrease / increase by INR 0.50 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

27. Segment reporting

Board of Directors of the Company has been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Company has determined pharmaceutical as the only reportable segment.

Information about Geographical segments:

The geographical information analyses the Company's revenue (other than other operating revenue) and non-current assets by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets were based on the geographical location of the assets.

	INR in million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Primary geographical markets		
India	2,513.02	2,081.91
Americas and Europe	7,116.92	9,734.71
Rest of the world	2,589.90	2,358.54
Total	12,219.84	14,175.16

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Non-current assets (by geographical location of assets)*		
Within India	16,527.18	16,967.33
	16,527.18	16,967.33

*Non-current assets are excluding financial instruments and deferred tax assets.

Major customers comprising more than 10% of total revenue

	INR in million	
	For the year ended	For the year ended
	31 March 2022	31 March 2021
Jubilant Cadista Pharmaceuticals inc.	2,082.79	3,960.62
Jubilant Pharma Holdings Inc.	1,416.26	1,003.91

28. Capital management

Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

	INR in million	
	As at	As at
	31 March 2022	31 March 2021
Net debt	630.71	95.56
Total equity	25,376.34	25,243.17
Net debt to equity ratio	0.02	0.00

29. Related Party Disclosures

i) Related parties of the Company

Ultimate Holding Company
Jubilant Pharmova Limited



Holding Company

Jubilant Pharma Limited

Fellow Subsidiaries (including partnership firm)

Jubilant HollisterStier LLC

Jubilant Biosys Limited

Jubilant Cadista Pharmaceuticals Inc.

Jubilant DraxImage Inc.

Jubilant Pharma Holdings Inc.

Jubilant Life Sciences (USA) Inc. (Till February 1, 2021)

Jubilant Clinsys Inc.

Jubilant Pharma Australia Pty Limited

Jubilant Draximage Radiopharmacies Inc.

Jubilant Draximage Limited

Jubilant Infrastructure Limited (Till February 1, 2021)

Jubilant Pharma South Africa Pty Limited

Jubilant Business Services Limited

Trialstat Solutions Inc.

Jubilant Pharma UK Limited

Jubilant HollisterStier General Partnership

Subsidiary

Jubilant Pharma NV

Step-down Subsidiaries

Jubilant Pharmaceuticals NV

PSI Supply NV

Other Entities

Jubilant Agri and Consumer Products Limited

Vam Employees Provident Fund Trust

Jubilant Enpro Private Limited

Jubilant Bhartia Foundation

Jubilant Ingrevia Limited

Jubilant Foodworks Limited (with effect from July 19, 2021)

Jubilant Life Sciences Limited (Sanghai) (with effect from March 31, 2022)

Jubilant Sports Car Pvt. Limited (with effect from October 21, 2021)

Directors

Ms. Sudha Pillai

Mr. Pramod Yadav

Mr. Anant Pande (Joined on 14th May 2019) Resigned effective from 31 March 2022

Mr. Jasdeep Singh Gurdeepsingh Sood

Mr. Arvind Chokhany – Appointed as Director with effect from June 3, 2021

Mr. Ramamurthi Kumar – Appointed as Whole time Director with effect from April 01, 2022

Mr. Christopher Stanely Krawtschuk – Appointed as Director with effect from June 3, 2021



INR in million

Sr.No	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Description of Transactions:		
1	Sales of goods and services:		
	Jubilant Cadista Pharmaceuticals Inc.	2,082.79	3,960.62
	Jubilant Pharma Holdings Inc.	1,416.26	1,003.91
	Jubilant HollisterStier LLC.	0.18	-
	PSI Supply NV	239.43	260.13
	Jubilant Biosys Ltd.	-	1.69
	Jubilant Pharma SA (Pty) Ltd	47.15	-
		3,785.81	5,226.35
2	Rental and other expenses:		
	Jubilant Pharmova Limited	80.21	79.38
	Jubilant Ingrevia Limited	10.78	0.80
		90.99	80.18
3	Purchase of goods and services:		
	Jubilant Pharmova Limited	-	90.79
	Jubilant Pharma Australia Pty Limited	3.01	2.57
	Jubilant Clinsys Inc.	-	14.97
	Jubilant Biosys Limited	20.19	1.97
	Jubilant Pharma SA (Pty) Ltd	16.38	11.63
	Jubilant Business Services Limited	60.05	66.14
	Jubilant Pharma UK Ltd	17.66	-
	Jubilant Ingrevia Limited	2.49	-
		119.78	188.07
4	Interest income		
	Jubilant Pharmova Limited	197.38	186.85
	Jubilant Draximage Limited	0.42	0.46
		197.80	187.31
5	Sale of Merchandise Exports from India Scheme scrip:		
	Jubilant Pharmova Limited	-	5.00
		-	5.00
6	Sale of Intangible assets & Intangibles under devolepment		
	Jubilant Cadista Pharmaceuticals Inc.	522.61	-
		522.61	-



INR in million

Sr.No	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Description of Transactions:		
7	Recovery of expenses:		
	Jubilant HollisterStier General Partnership	20.58	20.51
	Jubilant HollisterStier LLC	51.31	46.94
	Jubilant Pharmova Limited	-	5.24
	Jubilant Cadista Pharmaceuticals Inc.	29.33	19.08
	Jubilant Biosys Limited	11.68	21.56
	Jubilant DraxImage Inc.	87.05	53.08
	Jubilant Pharma Holdings Inc.	73.54	65.46
	Jubilant Draximage Radiopharmacies Inc.	16.57	13.81
	Jubilant Pharma Limited	1.48	1.43
	Jubilant Business Services Limited	0.23	0.27
	Jubilant Enpro Private Limited	-	0.73
	Jubilant Agri and Consumer Products Limited	5.98	0.06
	Jubilant Ingrevia Limited	-	1.00
	Jubilant Pharmaceuticals NV	-	1.33
		297.75	250.50
8	Purchase of property plant and equipment:		
	Jubilant Pharmova Limited	-	3.73
	Jubilant Sports Cars Private Limited	11.40	-
		11.40	3.73
9	Reimbursement of expenses:		
	Jubilant Cadista Pharmaceuticals Inc.	84.37	83.43
	Jubilant DraxImage Inc.	0.03	0.10
	Jubilant Biosys Limited	-	0.83
	Jubilant Pharmova Limited	150.74	134.73
	Jubilant Pharmaceuticals NV	51.63	81.13
	PSI Supply NV	2.68	0.83
	Jubilant Pharma Limited	96.85	69.68
	Jubilant Pharma Holdings Inc.	291.44	317.14
	Jubilant Pharma Australia Pty Limited	1.33	-
	Jubilant Business Services Limited	0.02	0.35
	Jubilant Pharma South Africa Pty Limited	1.08	0.12
	Jubilant Infrastructure Limited	-	0.03
	Jubilant Ingrevia Limited	129.87	17.87
	Jubilant Food Works Limited	0.92	-
	Jubilant Life Sciences (Shanghai) Ltd	27.11	-
		838.07	706.24




INR in million

Sr.No	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Description of Transactions:		
10	Donations:		
	Jubilant Bharti Foundation	28.50	10.20
		28.50	10.20
11	Remuneration and Related Expenses*:		
	Mr. Jasdeep Singh Sood	20.40	16.47
	Mr. Anil Srivastava	-	8.51
		20.40	24.98
12	Sitting fees:		
	Ms. Sudha Pillai	0.36	0.41
		0.36	0.41
13	Company's Contribution to PF Trust :		
	Vam Employee Provident Fund Trust	48.30	69.61
		48.30	69.61

INR in million

Sr.No	Particulars	As at	
		31 March 2022	31 March 2021
1	Amount Outstandings:		
	Trade payables:		
	Jubilant DraxImage Inc.	0.07	0.02
	Jubilant HollisterStier General Partnership	0.35	49.47
	Jubilant HollisterStier LLC	-	40.15
	Jubilant Pharmova Limited	59.56	106.36
	Jubilant Pharma Holdings Inc.	149.23	150.11
	Jubilant Biosys Limited	5.98	0.85
	Jubilant Pharmaceuticals NV	39.56	54.19
	Jubilant Pharma Australia Pty Limited	1.10	1.16
	PSI Supply NV	0.88	20.77
	Jubilant Business services Limited	0.59	20.48
	Jubilant Pharma SA (Pty) Ltd	3.69	1.46
	Jubilant Pharma Limited	28.37	-
	Jubilant Life Sciences (Shanghai) Ltd	27.11	-
	Jubilant Ingrevia Limited	6.88	-
	Jubilant Pharma UK Ltd	4.00	2.93
		327.37	447.95
2	Other payables:		
	Jubilant Cadista Pharmaceuticals Inc.	394.66	317.07
		394.66	317.07
		-	-
3	Advance from customers		
	Jubilant Cadista Pharmaceuticals Inc.	560.17	960.13
		560.17	960.13
4	Employee benefits payable		
	Vam Employees Provident Fund Trust	-	16.37
		-	16.37




Sr.No	Particulars	INR in million	
		As at	
		31 March 2022	31 March 2021
5	Interest receivable:		
	Jubilant Pharmova Limited	16.77	14.04
	Jubilant Draximage Limited	0.14	0.18
		16.91	14.22
6	Receivable against inter corporate deposit		
	Jubilant Pharmova Limited	3,250.00	3,250.00
	Jubilant Draximage Limited	7.00	7.00
		3,257.00	3,257.00
7	Trade receivables:		
	Jubilant Pharma Holdings Inc.	303.49	58.33
	Jubilant Pharmaceuticals NV	-	21.86
	PSI Supply NV	221.04	196.56
	Jubilant Biosys Limited	10.12	-
	Jubilant Pharma SA (Pty) Ltd	48.59	-
		583.24	276.75
8	Other receivables:		
	Jubilant Cadista Pharmaceuticals Inc.	546.35	16.74
	Jubilant Biosys Limited	1.53	5.13
	Jubilant Draximage Inc.	31.35	60.21
	Jubilant Draximage Radiopharmacies Inc.	8.16	7.70
	Jubilant HollisterStier LLC	20.54	34.89
	Jubilant HollisterStier General Partnership	14.32	54.62
	Jubilant Pharma Holdings Inc.	25.50	140.20
	Jubilant Pharmova Limited	10.24	10.25
	Jubilant Ingrevia Limited	6.09	0.50
	Jubilant Agri and Consumer Products Limited	5.47	1.25
	Jubilant Enpro Private Limited	-	1.16
	Jubilant Pharma Limited	0.18	0.92
		669.73	333.57
9	Loan to Jubilant Draximage Limited amounting to INR 7 million was extended for a period of 1 year during the current year.		

* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the company as a whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

Breakup of remuneration to key management personnel were as follows:

	(INR in million)	
	As at 31 March 2022	As at 31 March 2021
Short term employment benefits	19.56	23.93
Post employment benefits	0.84	1.05



30. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt:

	(INR in million)	
	As at 31 March 2022	As at 31 March 2021
Service Tax	0.79	0.79
Central Excise	7.83	7.87
Customs	4.44	26.53
Goods and Service Tax	11.18	11.18
Others	153.31	142.08

Including claims in respect of business acquired from Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited), though the litigations may be continuing in the name of Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited), however any liability arising in future relating to these disputes will be borne by the Company.

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

In July 2021, the U.S. Food and Drug Administration ("USFDA") placed the Roorkee facility under import alert, which restricts supplies to the USA from the Roorkee facility. However, the USFDA exempted certain products from the import alert subject to certain conditions. The Company continues to engage with the USFDA and take all necessary steps, including comprehensive assessment and engaging independent consultants, to ensure further controls to resolve the import alert at the earliest and ensure Current Good Manufacturing Practices (CGMP) compliance for the Roorkee facility. No other regulatory agency so far suggested or recommended similar action for any other market and/or product. Manufacturing and supply of pharmaceutical products is continuing from Roorkee facility to all markets and for non-restricted products to the USA.

The above does not include all other obligations resulting from claims, legal pronouncements having financial impact in respect of which the Company generally performs the assessment based on the external legal opinion and the amount of which cannot be reliably estimated.

31. Commitments as at period end

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) is INR 404.46 million (previous year INR 271.45 million).

b) Other Commitments:

Export obligation undertaken by the Company under EPCG scheme to be completed over a period of six years on account of import of Capital Goods at concessional import duty and remaining outstanding is INR 385.54 million (previous year INR 78.42 million). Similarly, export obligation under Advance License Scheme/DFIA scheme on duty free import of specific raw materials, remaining outstanding is INR 120.02 (previous year INR 311.86 million).



32. Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans to group companies [Refer note 29]:

	Purpose of term loan	INR in million	
		31 March 2022	31 March 2021
	General business purpose and interest rate		
Outstanding as at the beginning of the period	between 5.25% to 6.75% p.a.	3,257.00	3,257.00
Outstanding as at the end of the period	(Previous year 5.50% to 6.50% p.a.)	3,257.00	3,257.00

33. Corporate Social Responsibility (CSR) Expense

Particulars	(INR in million)	
	31 March 2022	31 March 2021
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	30.55	19.05
Details of CSR spent during the period		
a) Construction / acquisition of any asset	-	-
b) On purposes other than (a) above (1)	30.55	19.05

(1) Included in Donation – Refer note 29

34. Government grant recoverable INR 22.78 million (Previous year INR 129.27 million) and Government grant recognized INR 53.65 million (Previous year INR 187.53 million) in Statement of Profit and Loss.

35. Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at the end of period. The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	INR in million	
	As at 31 March 2022	As at 31 March 2021
The principal amount remaining unpaid to any supplier as at the end of the period	33.08	42.91
The interest due on principal amount remaining unpaid to any supplier as at the end of the period	0.03	0.35
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
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 period) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the period	0.03	0.35
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

36. Earnings per share

		For the year ended '31 March 2022	For the year ended '31 March 2021
Profit for basic and diluted earnings per share of INR 10 each	INR in million	124.30	1,296.92
Weighted average no. of shares outstanding during the period	Nos	25,79,665	25,79,665
Basic (INR)	INR	48.18	502.75
Diluted (INR)	INR	48.18	502.75

37. Leases

Leases under Ind AS 116 for the period ended 31 March 2022

The details of the right-of-use assets held by the Company is as follows:

	INR in million			
Description	Operating Building (a)	Operating Vehicle (b)	Finance Vehicle (c)	Total (a+b+c)
Gross carrying value as at 1 April 2021	269.55	1.94	10.27	281.76
Additions/adjustments	4.94	0.00	1.40	6.34
Deductions/adjustments	(8.36)	-	-	(8.36)
Gross carrying value as at 31 March 2022	266.13	1.94	11.67	279.74
Accumulated amortisation as at 1 April 2021	101.00	1.36	2.71	105.07
Amortisation charge for the period	56.12	0.57	2.86	59.55
Deductions/adjustments	-	-	-	-
Accumulated amortisation as at 31 March 2022	157.12	1.93	5.57	164.62
Net carrying value as at 31 March 2022	109.01	0.01	6.10	115.12
Net carrying value as at 1 April 2021	168.55	0.58	7.56	176.69

	INR in million			
Description	Operating Building (a)	Operating Vehicle (b)	Finance Vehicle (c)	Total (a+b+c)
Gross carrying value as at 1 April 2020	219.56	1.94	19.44	240.94
Additions/adjustments	49.99	0.00	5.74	55.73
Deductions/adjustments	-	-	(14.91)	(14.91)
Gross carrying value as at 31 March 2020	269.55	1.94	10.27	281.76
Accumulated amortisation as at 1 April 2020	46.49	0.68	11.00	58.17
Amortisation charge for the period	54.51	0.68	4.38	59.57
Deductions/adjustments	-	-	(12.67)	(12.67)
Accumulated amortisation as at 31 March 2021	101.00	1.36	2.71	105.07
Net carrying value as at 31 March 2021	168.55	0.58	7.56	176.69

INR 14 million (previous year INR 17.27 million) amortisation capitalised during the period.



Amount recognised in Statement of Profit or Loss:

	INR in million	
	For the year ended '31 March 2022	For the year ended '31 March 2021
Interest on lease liabilities #	14.92	19.69
Rental expense relating to short term leases	5.90	1.01
Total	20.82	20.70

INR 2.39 million (Previous year INR 5.26 million) interest has been capitalised during the period.

Amount recognised in statement of cash flows:

	INR in million	
	For the year ended '31 March 2022	For the year ended '31 March 2021
Total cash outflow for leases	(67.23)	(53.58)
Total	(67.23)	(53.58)

The weighted average incremental borrowing rate applied to new lease liabilities is 7.20% (previous year 9.16%).

38. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.




39. Ratios :

Ratio	Numerator	Denominator	31-03-2022	31-03-2021	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.86	1.82	3%	
Debt-Equity ratio	Total debt = Non-current borrowings (gross of transaction costs) + current borrowings	Total equity	0.03	0.01	218%	Increase in working capital loans at the end of the year
Debt service coverage ratio	Earnings for debt service = Profit before tax + depreciation and amortisation expense + finance costs + exceptional items	Debt service = Finance costs + scheduled principal repayments (excluding prepayments) during the year for non-current borrowings (including current maturities) and lease liabilities	52.14	177.41	-71%	Reduction in profitability during the year as compared to previous year
Return on equity ratio	Profit for the year	Average total equity	0.49%	5.27%	-91%	Reduction in profitability during the year as compared to previous year
Inventory turnover ratio	Revenue from operations	Average inventory	2.65	3.46	-23%	
Trade receivable turnover ratio	Revenue from operations	Average trade receivable	6.65	8.51	-22%	
Trade payable turnover ratio	Net purchases = Gross purchases - purchase return + other expenses net of non cash expenses and donations	Average trade payables	5.75	5.51	4%	
Net capital turnover ratio	Revenue from operations	Average working capital = Average (current assets - current liabilities)	3.23	5.69	-43%	Increase in average working capital during the year as compared to previous year
Net profit ratio	Profit for the year	Revenue from operations	0.99%	8.93%	-89%	Reduction in profitability during the year as compared to previous year
Return on capital employed	Earnings before interest and taxes = Profit before tax + finance costs + exceptional items	Average capital employed = Average (total equity + borrowings (gross of transaction costs) + deferred tax liabilities - deferred tax assets)	0.84%	8.51%	-90%	Reduction in profitability during the year as compared to previous year
Return on investment	Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income	Average investments	NA	NA	NA	



[Signature]

40. The Scheme of Arrangement ("the Scheme") for demerger of the Active Pharmaceuticals Ingredients business undertaking of Jubilant Generics Limited ("JGL") and vesting of the same with the Jubilant Pharmova Limited (Ultimate Holding Company) on a going concern basis, with an appointed date of 1 April 2022 was approved by Hon'ble National Company Law Tribunal, Allahabad Bench ("the Tribunal") vide its order ("the Order") dated 23 May 2022. The Company is in the process of filing the certified copy of the Order from the Tribunal with the Registrar of Companies for registration in terms the requirements under the Companies Act, 2013, to make the Scheme effective upon such filing.

41. Transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956:

(INR in million)				
Name of struck off company	Nature of Transaction	Balance outstanding		Relationship with the struck off company, if any
		As at 31 March 2022	As at 31 March 2021	
Rachana Rubbers Private Limited	Advance for supply of goods and services	0.60	0.00	

42. Additional Information :

- No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- The Company has not entered any transactions with the companies struck off under section 248 of the Companies Act, 2013, or section 560 of Companies Act, 1956 except as disclosed in financial statements (refer Note 41).
- There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- The Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core investment Company.



43. Previous year figures have been regrouped / reclassified to confirm to current period's classification,

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration Number.: 101248W/W-100022



Manish Gupta

Partner

Membership No: 095037

For and on behalf of the Board of Directors of

Jubilant Generics Limited



Ramamurthi Kumar

Director

DIN: 09139426



Jasdeep Singh
Gurdeep Singh Sood

Whole-time Director

DIN: 03383578

Place: Noida

Date: 26 May 2022

Place: Noida

Date: 26 May 2022

Place: Noida

Date: 26 May 2022



