A STRATEGIC APPROACH WINS. LIFE WINS.

Saving Lives 55 years

WOCKHARDT | LIFE WINS

ANNUAL REPORT 2022-2023

Wockhardt's Strategic Approach

It is the distillation of its vision, mission, R&D capabilities, core competencies, product portfolio, market segmentation, and focus and prioritisation, based on the external environmental analysis.

Wockhardt's strategic approach is an endeavour to anticipate and adapt to change, leverage its R&D strengths, prioritise and optimise resources, and focus on achieving a sustainable competitive advantage through long-term value creation. It is a roadmap guiding the organisation towards its corporate credo of ensuring that Life Wins.

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FY 2022-2023: PERFORMANCE HIGHLIGHTS

Total Revenue: ₹ 2,773 crore

International Business: 77%

Operating Profit (EBITDA): ₹ 223 crore

Net Debt to Equity Ratio: 0.48

CHAIRMAN'S STATEMENT

MY DEAR SHAREOWNERS

Departing from the usual practice of reviewing the performance of the financial year gone by, I would like to share Wockhardt's strategic approach and plan for the future.

Strategy is the foundation of success for any business. Particularly in the context of the dynamic and evolving pharmaceutical business, formulating a strategic approach is essential to navigate the complexities of the industry and capitalise on opportunities.

Like Henry Mintzberg, management thinker and 'enfant terrible' of strategic planning theory says, "Strategy is not the consequence of planning, but the opposite: its starting point."

We have mapped out a detailed strategy aligned to our vision and long-term goals, and have already begun its implementation on numerous fronts. I take this opportunity to elaborate on some of the key areas where we are executing strategies to drive growth and value creation.

In consonance with American economist and founder of strategic management Michael E. Porter, who said, "The essence of strategy is choosing what not to do", we have consolidated and realigned our India business, restructured our US business, strengthened our UK business, and are expanding our Emerging Markets business.

As we stand at the cusp of a new era, it is crucial for us to adapt, evolve, and pioneer new horizons in the ever-evolving pharmaceutical landscape. Let me elaborate on our strategic approach to the future – a roadmap that will guide us towards sustained growth, innovation, and success.

FOCUS ON INTERNATIONAL BUSINESS

Global expansion is an essential component of our growth strategy. We will explore new markets, establish strong partnerships, and leverage our existing presence to reach untapped regions. Our expansion efforts will be guided by a deep understanding of local needs, regulatory compliance, and a commitment to adapt to diverse market dynamics.

Today, our International Business constitutes 77% of our total sales, as on 31st March 2023. Our EU and UK business accounted for 45% of total revenues, while the UK business alone contributed to 33% of total business in FY 2022-23.

Naturally, we are continuing to focus on the growth and development of our UK business by introducing several new products over the next 3 to 5 years. We are further strengthening our sterile manufacturing capability and have invested £17mn in new combi-line and state-of-the-art equipment. We have signed a 15-year profit-sharing agreement with Serum Life Sciences UK, a subsidiary of Serum Institute of India, to supply 150 million doses of multiple vaccines. Wockhardt would be exploring similar opportunities with other companies in the near future.

We are constantly seeking new business and growth opportunities that will fortify the foundation for continuous growth. We are also expanding our global opportunities to major emerging markets across Latin America, Middle East and North Africa, and South East Asia.

FOCUS ON DIABETES / BIOLOGICALS

As you may be aware, we are in a position of enormous strength in Biologicals, which stems from our comprehensive in-house research capabilities, manufacturing capabilities for insulins and complex CHO cell-based biologicals, and our sterile manufacturing capabilities in India and UK.

Our strong and pioneering presence in the diabetes segment, where we face limited competition globally, includes a robust and focused pipeline of recombinant therapeutic proteins for insulin-resistant and higher BMI diabetic needs. We have already commercialised recombinant Human Insulin and Insulin Glargine in various emerging markets and are planning our foray into the developed markets with a select portfolio. Our biotechnology team is also developing other Biosimilars that are at different stages of development. They include recombinant Insulin analogues (Insulin Aspart, Insulin Lispro), recombinant Darbepoetin, GLP-1 agonists, and also co-formulation of insulin analogues, which have received pre-clinical waiver from the drug regulator. We enjoy a cost advantage of manufacturing our products in India complemented by our own patented drug delivery devices. This would make Wockhardt one of the few competitive companies in this space globally.

FOCUS ON NOVEL ANTIBIOTICS

Our decades of efforts towards antibiotic drug discovery is coming to fruition. We have already launched EMROK and EMROK O in India and over 47,000 patients have been treated with the product. Our flagship discovered antibiotic drug WCK 5222, still under trial, has been used in India on compassionate grounds and has saved five lives. These were critical patients on ventilators for several weeks and used all available antibiotics in India and globally. They were all cured and discharged from the hospital on completion of treatment with WCK 5222 (Zidebactam + Cefepime), being a beta lactam enhancer, a new class of antibiotic that works dramatically. A recently published article by American Society for Microbiology firmly establishes its clear superiority of treatment and safety efficacy. Our phase III clinical trial is scheduled to be completed in the first half of 2024 and thereafter will soon be launched in the global markets. We have also completed the recruitment for Phase III clinical study of WCK 4873 (INN: Nafithromycin) in India and plan to file for marketing authorisation before this year is over. We strongly believe that our innovative, life-saving molecules will validate the long-term trust that our investors have reposed in us.

To sum up and conclude, our strategy for future growth revolves around three core pillars: innovation, global expansion, and patient-centricity. By focusing on these key areas, we will not only cement our position as a market leader but also have a profound impact on the lives of people across geographies.

I agree with Morris Chang, founder of the world's most valuable semiconductor company, who said, "Without strategy, execution is aimless. Without execution, strategy is useless."

Towards this end, we are restructuring and redesigning Wockhardt to meet these future strategic challenges. We will continue to foster a culture that encourages and rewards creativity, pushing the boundaries of scientific research and development. Our aim is to bring breakthrough therapies and novel treatment options to patients, addressing unmet medical needs and improving healthcare outcomes. We will invest in cutting-edge technologies, forge strategic collaborations, and nurture internal talent to ensure that Wockhardt remains at the forefront of innovation.

The fundamental focus is to create an organisation that is globally competitive in terms of cost, technology, R&D capabilities, novel products, and a unique business model. A vibrant, lean, focused, and agile Wockhardt ready for the future, with performance and trust as the key drivers for success.

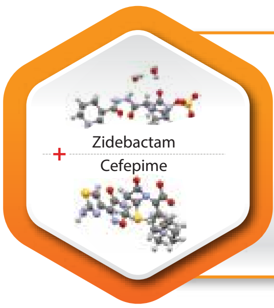
I am confident that with our unwavering determination, pioneering spirit, and focus on excellence, we will navigate the road ahead with resilience and emerge as a stronger organisation. The future holds immense promise, and together, we will seize every opportunity that comes our way.

Dr. Habil Khorakiwala
Founder Chairman

A STRATEGIC APPROACH TOWARDS ANTIMICROBIAL RESISTANCE (AMR)

The global rise in the prevalence of bacterial strains resistant to existing antimicrobial drugs, the emergence of newer resistance mechanisms, as well as the evolution of new pathogenic organisms, are a serious cause for concern. The dearth of effective antibiotics to treat Gram-positive and Gram-negative infections is taking a heavy toll on human life and healthcare systems all over the world. A recent report published in the prestigious Lancet journal estimated the annual global mortality due to antibiotic-resistant infections to be 4.95 million.

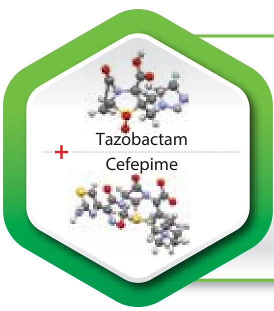
Wockhardt's long-standing strategy of focusing its novel drug discovery efforts on the anti-infectives space is fulfilling unmet medical needs in regulated as well as unregulated markets worldwide. The results are heartening and the world is beginning to acknowledge, recognise, and reward these efforts coming to fruition after over two decades of pioneering and persevering Research & Development.



WCK 5222

Researched to offer a lasting and assuring solution for life-threatening multi-drug/extensively drug-resistant Gram-negative infections encountered in ICUs such as sepsis and hospital/ventilator associated pneumonia, it is a combination of cefepime and zidebactam, the latter being Wockhardt's proprietary first ever β-lactam enhancer antibiotic discovered in the past 50 years.

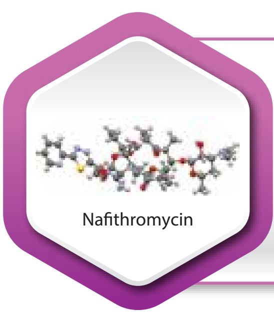
Status: It is currently undergoing global Phase 3 study and is expected to be launched in 2025.



WCK 4282

Researched to tackle a significant surge in ESBL-producing Gram-negative pathogens, it is a globally-patented and pharmacodynamically-optimised high-dose combination of clinically well-established cefepime and tazobactam.

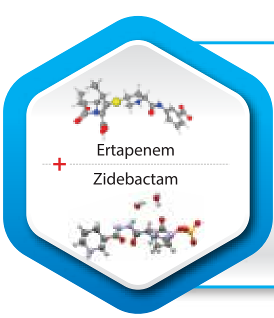
Status: It is at Phase 3 stage of development.



WCK 4873

Researched to tackle community-acquired bacterial pneumonia (CABP), one of the top-ranking infections globally, five years of discovery efforts have resulted in a well-differentiated respiratory antibiotic (INN: Nafithromycin). For the first time ever, it is an ultra-short-course oral dosing regimen (800 mg once-daily for 3 days) for the treatment of CABP.

Status: Currently nearing the completion of Phase 3 study, it is expected to be launched in 2024.



WCK 6777

Researched to fulfil the unmet need for MDR-active effective outpatient parenteral antimicrobial therapy (OPAT), it is a combination of ertapenem and zidebactam, whose once-a-day therapeutic profile is expected to cut hospital admissions, facilitate early patient discharge, and thus, introduce patient-centric care for MDR infections.

Status: National Institutes of Health, USA, has selected it to conduct its first-in-human Phase 1 studies at their Phase I clinical trial units in the USA.

A STRATEGIC APPROACH TO R&D

Wockhardt is one of the few pharmaceutical companies worldwide to have comprehensive end-to-end Research & Development capabilities from discovery competencies to development and marketing competencies.

Wockhardt's R&D efforts to create value and drive growth have always been focused on New Chemical Entities (NCEs), Abbreviated New Drug Applications (ANDAs), Biosimilars and Biobetters, Novel Drug Delivery Systems (NDDS), etc.

Our belief in R&D as a value creator and growth driver is backed by our consistent investment in people and technology. A team of dedicated professionals - research scientists, doctorates, doctors, technicians and other professionals across multiple functions - are leading Wockhardt's R&D efforts.

Today, we have a rich Intellectual Property (IP) base of 3,239 cumulative patents filed and 810 patents granted, as on 31st March, 2023.

Dr. Murtaza Khorakiwala
Managing Director

A STRATEGIC APPROACH TO THE FUTURE

DEAR SHAREOWNERS

While we have faced headwinds in FY 2022-23, they have also allowed us to adjust ourselves to ensure that we stay on course towards achieving our vision and goals.

We have steadily been reducing our external debt; have restructured our US business to stem accruing losses; have streamlined our UK and EU business with a focus on improving EBITDA; are focusing on increasing our Indian branded drugs share of prescription business; have established ourselves as a contract manufacturer for vaccines; are focusing on deriving positive cash flows from operations; and thus, endeavouring to improve productivity and profitability.

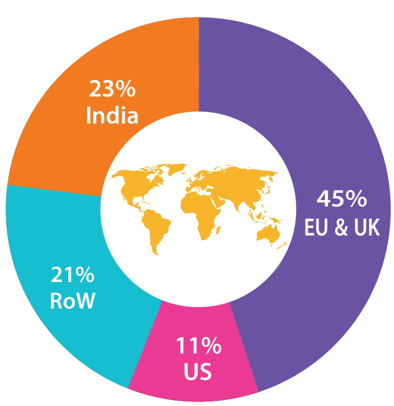
We have completely restructured our US business and de-risked our US operations. We have shut down our manufacturing facility at Morton Grove near Chicago. This will result in savings of at least $12 million in costs.

The diabetes and biologicals business continues to be an engine of growth for Wockhardt. Our product range includes rapid acting, fast-acting, and long-acting insulin formulations along with novel drug delivery systems like insulin pens, insulin pumps, and continuous glucose monitoring systems. Our insulin pen, developed in-house, holds 16 patents globally. Leveraging our R&D capabilities, we have successfully developed and marketed several diabetes biosimilars and biobetters with comparable efficacy and safety profiles to their reference products. Diabetes and Biologics are projected to be major growth drivers for the company, mainly targeting the Emerging Markets worth over USD 11 billion. Our insulin and insulin analogue products are being marketed in 30+ countries around the world. Our focus on this growth multiplier aims to increase its contribution within Wockhardt from 20% to above 30% within 3 years.

Wockhardt's vaccine business has been a key growth driver in recent years. Our focus on research and development, state-of-the-art manufacturing facilities, and global presence, has enabled us to become a leading player in the vaccine market. With the increasing demand for vaccines, Wockhardt is well-positioned to continue its growth trajectory in the coming years.

These course corrections, collectively, cumulatively, and progressively, will help us navigate into a future of promise and potential.

Share of Global Revenue in FY 2022-23



As on 31st March 2023 (ANDAs)

	APPROVED	PENDING APPROVAL
EX-INDIA	38	33
MGP USA	27	05
TOTAL	65	38

OUR EUROPEAN EDGE

Amongst Top **3** Indian Generic companies in UK

6th largest generic supplier in Retail and in Hospital channel respectively, in Ireland

OUR INDIA VALUE

No. 1 Methycobalamin Brand
(Methycobal - 28.8% market share)

No. 2 Erythropoetin Brand
(Wepox - 11.1% market share)

Source: IQVIA MAT March 2023 data

- **Mobile 1000** — 211 Vans Till Date (36.43 Lakh Patients Checked with Free Medicines)
- **PRONTO TOILET** — 4,704 Toilets Till Date
- **PRONTO BIO-TOILET** — 451 Pronto Bio-Toilets Till Date
- **E-LEARNING** — 425 Schools
- **WOCKHARDT SKILLS DEVELOPMENT INSTITUTE** — 6 Centres in 2022-23 (230 Students Trained)
- **Khel Khel Mein** — 6 Toy Libraries (Mumbai & Bangalore)
- **ZAB** — 14,774 Bags Distributed Till Date
- **GURO Dialysis Centers** — 3 Centres (7,669 Dialysis Sessions)
- **Hunger Project** — 20,364 Meals Distributed
- **ANAAJ +** — 5,810 Grocery Kits Distributed Till Date

OVER 128 MILLION TIMES LIVES TOUCHED IN FY 2022-23

Dr. Huzaifa Khorakiwala

Trustee & CEO, Wockhardt Foundation
Executive Director, Wockhardt Limited

A STRATEGIC APPROACH TO SOCIAL RESPONSIBILITY

DEAR SHAREOWNERS

Rosabeth Moss Kanter, American sociologist and Professor at Harvard Business School said, "A vision is not just a picture of what could be; it is an appeal to our better selves, a call to become something more." I agree, and that is what drives Wockhardt Foundation's efforts in alignment with Wockhardt's vision of Life Wins.

Wockhardt Foundation, along with Wockhardt Hospitals and other corporate and individual partners, initiates and executes numerous projects in healthcare, education, sanitation, skill development, etc.

Wockhardt Foundation's flagship healthcare initiative, Mobile 1000, provides doorstep delivery of free primary healthcare to people living in rural and the remotest parts of India. Each Mobile 1000 van has a doctor, driver, and pharmacist and is equipped with medicines, diagnostics, and consumables. It covers the ADCR formula of Awareness, Diagnosis, Cure, and Referral. In FY 2022-23, over 3.6 million patients benefitted from the 211 vans that were operating in 20 Indian States and 1 Union Territory covering 4,171 villages in 100 districts.

One recent initiative is the Hunger Project, aimed at reducing hunger prevalent amongst the poor orphans in Mumbai. Serving one nutritious, freshly cooked, hot meal to the beneficiaries from orphanages and slums, we have provided 20,000+ meals in FY 2022-23.

Adhering to the simple philosophy that "every smile counts", Wockhardt Foundation draws its strength from the succour it provides and is happy to announce that in FY 2022-23, we managed a smile count of 128 million.

WOCKHARDT FOUNDATION PROGRAMME EXECUTION POLICY


HOSPITALS LTD.- OP

Ms. Zahabiya Khorakiwala

Managing Director, Wockhardt Hospitals#
Non-Executive Director, Wockhardt Limited

A STRATEGIC APPROACH TO HEALTHCARE

DEAR SHAREOWNERS

Wockhardt Hospitals is a chain of super-speciality hospitals spread across Maharashtra and Gujarat. Our strategic approach has always been to use state-of-the-art technology and innovative procedures to provide unparalleled care and safety for our patients. We have strengthened our clinical expertise by involving some of the topmost clinicians across specialties. Whether it is Heart, Brain, Spine, Joints, Kidney, Digestive, Oncology, or Critical Care, our doctors across Wockhardt Hospitals have a collective experience of more than 10,000 interventional procedures and surgeries in each specialty. They are also experienced in performing minimally invasive surgeries in all specialities. Our cutting-edge research in the regenerative medicine space is focused on Stem Cells and Growth Factor Concentrate (GFC) Therapy in Hair Regrowth, Aesthetics, Orthopaedics and Chronic Wound Healing.

We have been a pioneer in digitising the healthcare value chain. In FY 2022-23, we started the process of reshaping how Wockhardt Hospitals interacts with network physicians and patients. Our end-to-end solution enables patients to avail all our facilities from their phone: beginning from appointment booking to consultation to receiving their prescription order at their home. Using cloud computing, we maintain customer interaction data in the most secure way, which enables us to reach out to our patients in a timely manner, ensuring that we continue to be an effective partner in their healthcare journey.

Our strategic approach is also demonstrated by the fact that Wockhardt Super Speciality Hospital, Nagpur, that stands as the pinnacle of healthcare prowess in the Marathwada region, has emerged as a multi-organ transplant centre. Equipped with state-of-the-art facilities, some of country's most celebrated surgeons and transplant specialists are providing Liver, Kidney and Bone-Marrow transplants and saving lives at this centre of excellence.

188,859*
CARDIAC PROCEDURES

Angiographies, Angioplasties, Bypass, Open heart & Cardiac valve surgeries for adult & paediatric patients

36,190*
ORTHOPAEDIC PROCEDURES

Knee & hip replacements, Poly-trauma surgeries, Complex fracture surgeries...

328,488*
SURGICAL PROCEDURES

Organ transplants, Complex brain surgeries, Endoscopic spine surgeries…

*# Wockhardt Hospitals, an unlisted company, is part of the Wockhardt Group | * Cumulative numbers since inception*

BOARD OF DIRECTORS

Dr. HABIL KHORAKIWALA
Founder Chairman

Dr. Habil Khorakiwala founded Wockhardt in 1967. Today, the Wockhardt Group is India's leading research-based global healthcare enterprise with relevance in the fields of Pharmaceuticals, Biotechnology, Active Pharmaceutical Ingredients (APIs), and Super Speciality Hospitals. An alumnus of Purdue University and Harvard Business School, he was the first non-American to be conferred with an Honorary Doctorate in 125 years by Purdue University (Pharmacy School) in 2010.

A member of the World Economic Forum, Dr. Khorakiwala has held many senior positions as an industry representative, and has been lauded and awarded by various institutions and organisations. As a former President of FICCI (Federation of Indian Chambers of Commerce and Industry), he has met and shared India's business and economic dynamics with many Presidents, Prime Ministers and Heads-of-State. He has also served as the President of IPA (Indian Pharmaceutical Alliance); as the Chairman of the Board of Governors at the Centre for Organisation Development in Hyderabad, a non-profit, scientific and industrial research organisation and a recognised doctoral research centre; and as the Chancellor of Jamia Hamdard University, New Delhi, which has emerged as an outstanding institution of higher learning with distinct and focused academic programmes.

In 2017, Dr. Khorakiwala authored 'Odyssey of Courage', a book chronicling his entrepreneurial journey, and in 2018, he established the Wockhardt School of Courage, a unique mentorship programme for young and budding entrepreneurs, which is based on tenets, principles, and insights drawn from the book.

Mr. AMAN MEHTA
Independent Director

Mr. Aman Mehta has been a Director of the Company since 2004. An Economics graduate, he has over 35 years of experience in various positions with the HSBC Group. He headed HSBC's operations in the Middle East, America, and Asia Pacific.

Mr. D S BRAR
Independent Director

Mr. D S Brar has been a Director of the Company since August 2012. He is a B.E. (Electrical) from Thapar Institute of Engineering and Technology, Patiala, and holds a Master's degree in Management (Gold Medallist) from Faculty of Management Studies, University of Delhi.

Mr. Brar has been associated with the pharmaceutical industry for over four decades with a major stint at Ranbaxy Laboratories, where he rose to become the CEO and Managing Director in the year 1999. Mr. Brar stepped down from this position in 2004 to start his entrepreneurial journey and founded GVK Biosciences Pvt. Ltd. (Now Aragen Life Sciences Pvt. Ltd.), a leading Contract Research and Development Organisation, and later, Excelra Knowledge Solutions Pvt. Ltd., an Informatics/Analytics company. He is currently the Chairman of both these companies. Mr. Brar has also served as a Director of Reserve Bank of India; member on the Board of National Institute of Pharmaceutical Education and Research; member of the Board of Governors of Indian Institute of Management, Lucknow; Chairman of Indian MNC Council of CII; and member of FICCI. Mr. Brar serves on the Boards of Mphasis Limited and EPL Limited (as Chairman of the Board); Maruti Suzuki India Limited; Punjab Innovation Mission; Mountain Trail Foods; and Konnect Agro and acts as an Advisor to start-ups funded by Private Equity and Venture funds. He is also a member of the Advisory Board of the USA-India Chamber of Commerce (USAIC).

For his service and contribution to the pharmaceutical industry, Mr. Brar was honoured with the Dean's Medal by the Tufts University School of Medicine, USA, in 2004. The Federation of Asian Biotech Associations (FABA) conferred upon Mr. Brar the 'FABA Special Award 2011' for his contribution to the Biopharma sector.

Dr. SANJAYA BARU
Independent Director

Dr. Sanjaya Baru has been a Director on the Board of Wockhardt since April 2012. With a Ph.D. and a Master's degree in Economics from Jawaharlal Nehru University, New Delhi, Dr. Baru is Distinguished Fellow, United Service Institution of India, Centre for Air Power Studies, India, and was till recently named as Distinguished Fellow of the Institute for Defence Studies and Analysis, New Delhi.

In the past, Dr. Sanjaya Baru was the media advisor to the Prime Minister of India. He has also served as Secretary-General, FICCI; Director of Geo-economics and Strategy at the International Institute for Strategic Studies (IISS), London; Editor of the Business Standard; Chief Editor of The Financial Express; and as Associate Editor of The Economic Times and The Times of India. Dr. Baru was a member of India's National Security Advisory Board and has served on the Governing Board of the Centre for Policy Research, New Delhi. He has also been a visiting professor at the Lee Kuan Yew School of Public Policy, Singapore, and the Indian School of Public Policy, New Delhi.

Mrs. TASNEEM MEHTA
Independent Director

Mrs. Tasneem Mehta has been a Director on the Board of Wockhardt since September 2014. She is Managing Trustee and Honorary Director, Dr. Bhau Daji Lad Museum, Mumbai, and a Former Vice Chairman and Mumbai Convenor, Indian National Trust for Art and Cultural Heritage.

Mrs. Mehta is an art historian, conservationist, writer, curator, and designer, who has successfully pioneered the revival and restoration of several cultural sites in Mumbai. She has conceptualised, curated, designed, and implemented the restoration and revitalisation of the Museum and the ongoing exhibitions and outreach programmes. The Museum won UNESCO's 2005 Asia Pacific 'Award of Excellence'. The Museum has been nominated for several awards for its outstanding work. Mrs. Mehta is the Academic Chair of the Museum's Diploma on Modern and Contemporary Art History and Curatorial Studies. She has also written and edited several books.

Mrs. Mehta is a member of International Council of the Museum of Modern Art, New York, and has served on several Indian museum boards and government committees for art and culture. She was the CII Chair for Culture in 2011 and presented an exhibition of Indian Art at Davos the same year. She was selected as a Mumbai Hero by Mumbai Mirror and has received several awards. Harvard University included her in a list of 25 women who have made an outstanding public contribution in India.

Mr. VINESH KUMAR JAIRATH
Independent Director

Mr. Vinesh Kumar Jairath has been a Director on the Board of Wockhardt since November 2016. He joined the Indian Administrative Service in 1982 and served in various important positions in Government of Maharashtra and Government of India till March 2008, when he took voluntary retirement. He has served as the Managing Director of SICOM and subsequently as Principal Secretary of Industries in the Government of Maharashtra until 2008. He has over 25 years of experience in public administration, rural development, poverty alleviation, infrastructure planning and development and infrastructure financing, finance, industry, urban development, and environmental management, while occupying important positions in Government.

Mr. Jairath is at present a Director on the Board of Kirloskar Industries Limited, Kirloskar Oil Engines Limited, and an Independent Director on the Boards of The Bombay Dyeing and Manufacturing Company Limited and The Bombay Burmah Trading Corporation Limited.

Mr. AKHILESH GUPTA
Independent Director

Mr. Akhilesh Gupta has been a Director on the Board of Wockhardt since August 2020. An Advanced Leadership Senior Fellow at Harvard University, he also holds an MBA degree from the Graduate School of Business, Stanford University, and a B.Tech. in Chemical Engineering from the Indian Institute of Technology, Delhi.

Mr. Gupta served as the Chairman of Blackstone India till December 2014. Prior to Blackstone, he served as CEO - Corporate Development for Reliance Industries Limited from 1992 till 2005. Mr. Gupta currently serves on the Dean's Leadership Council at Harvard Divinity School and on the Advisory Board of Human Flourishing Initiative at Harvard University. He has served on the Advisory Council of the Graduate School of Business at Stanford University (from 2012 to 2014) and on the Boards of several Blackstone portfolio companies, Larsen & Toubro, and Reliance Group companies.

Dr. HUZAIFA KHORAKIWALA
Executive Director

Dr. Huzaifa Khorakiwala holds a Master's degree in Business Management from Yale University School of Management, USA. He joined the Company in July 1996 and has, over the years, led various Wockhardt businesses. He has been the Executive Director of the Company since April 2009. He also serves as Trustee and CEO of Wockhardt Foundation, whose flagship programme, Mobile 1000, runs Mobile Medical Units delivering free primary healthcare to rural and remote India. He is the Founder of The World Peacekeepers Movement, an online movement of over 2 million peacekeepers. Dr. Huzaifa is a recipient of 15 honorary doctorates, 2 D.Litts., and many other prestigious awards and titles including a Knighthood, which was bestowed on him by the Ecumenical, Medical, Humanitarian Order of Knights of St. John of Jerusalem (Knights of Charity).

Dr. MURTAZA KHORAKIWALA
Managing Director

Dr. Murtaza Khorakiwala represents a unique blend of scientific knowledge and business acumen. A graduate in Medicine from GS Medical College, Mumbai, India, and Master in Business Administration (MBA) from the University of Illinois, USA, he has been Managing Director of Wockhardt Limited since April 2009.

Thinking out of the box, challenging assumptions, and innovation are some of the key principles that shape his strategic thought process. His young and dynamic leadership has become the ideal springboard for various corporate initiatives in creating a new Wockhardt.

A member of the executive committee of the Indian Pharmaceutical Association (IPA), he was the past Chairman of the Marketing Committee of the Bombay Management Association. In 2018, Dr. Murtaza was elected as President of the Bombay Management Association (BMA). He has also served as President of ICC India, International Chamber of Commerce, in the year 2020-21. In FY 2022-23, Dr. Murtaza served on the Management Committee of IMC.

Ms. ZAHABIYA KHORAKIWALA
Non-Executive Director

Ms. Zahabiya Khorakiwala is the Managing Director of Wockhardt Hospitals and is responsible for strategic decisions, identifying new business opportunities, and creating viable and sustainable business models to drive growth in the overall operations of the hospital chain. She is also a Director on the Board of RPG Life Sciences Limited.

Ms. Khorakiwala was schooled at the prestigious Aiglon College in Switzerland; did her graduation from New York University; and received an MBA degree from the Indian School of Business, Hyderabad.

Championed by robust Research and Development, Ms. Khorakiwala has instituted a cutting-edge regenerative medicine business, the newest venture of the Wockhardt Group. Ms. Khorakiwala has also set up Wockhardt Global School, a state-of-the-art K-12 school with International Baccalaureate Continuum and CBSE programmes in Aurangabad.

BOARD'S REPORT

Dear Members,

The Board of Directors are delighted to present the Twenty-fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2023 ("year under review").

FINANCIAL RESULTS AND HIGHLIGHTS

A summary of your Company's financial results for the Financial Year 2022-23 is as under:

(₹ in Crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consolidated		
Total Revenue	**2,773**	3,250
Profit before Depreciation and Amortisation, Finance Cost and Tax	**223**	318
Loss before Exceptional Items and Tax	**(330)**	(228)
Loss before Tax	**(624)**	(411)
Tax expense - Credit	**3**	132
Loss after Tax for the year before other Comprehensive Income	**(621)**	(279)
Other Comprehensive Income/ (Loss)	**78**	(27)
Total Comprehensive Income/ (Loss)	**(543)**	(306)
Standalone		
Total Revenue	**1,139**	1,410
Profit before Depreciation and Amortisation, Finance Cost and Tax	**137**	260
Loss before Exception Items and Tax	**(278)**	(184)
Loss before Tax	**(513)**	(184)
Tax expense - Credit	**47**	44
Loss after Tax for the year before other Comprehensive Income	**(466)**	(140)
Other Comprehensive Income/ (Loss)	**4**	(1)
Total Comprehensive Income / (Loss)	**(462)**	(141)

The Consolidated Total Revenue of the Company for the financial year ended March 31, 2023 stood at ₹ 2,773 crore as compared to ₹ 3,250 crore of the previous year. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) for the year ended March 31, 2023 is ₹ 223 crore vis-à-vis ₹ 318 crore during the previous year. The Total Comprehensive Income/ (Loss) for the year stood at ₹ (543) crore vis-à-vis total Comprehensive Income/ (Loss) of ₹ (306) crore of previous year.

On a standalone basis, the Company registered Total Revenue of ₹ 1,139 crore as compared to ₹ 1,410 crore of the previous year. Total Comprehensive Income/ (Loss) for the year stood at ₹ (462) crore vis-à-vis ₹ (141) crore in the previous year.

STATE OF COMPANY'S AFFAIRS

The financial year 2022-23 has seen some significant developments for your Company, including the following:

1) **Initiation of Global Phase 3 clinical study of WCK 5222:** Wockhardt successfully initiated the Global Phase 3 Clinical Study of its novel antibiotic WCK 5222. WCK 5222 is a Super-drug and an entirely a new class of antibiotic known as "β-lactam ENHANCER". This is a double-blind, multi-center, efficacy, safety, and tolerability study in the treatment of hospitalized adults with Complicated Urinary Tract Infections, including Acute Pyelonephritis. This study will have 70 centres worldwide in 11 countries including the US, Europe, India, China and Latin America. This global study is expected to be completed in 18 months. In this regard, it is also worth mentioning 5 lives of critically ill patients, who were not responding to any of the available drugs, were saved during the previous year through the use of WCK5222 on compassionate basis.

2) **Restructuring of the US Business:** In view of the changed pharmaceutical market situation in the United States of America (USA), the management had initiated various steps to restructure its USA business by closing down its manufacturing facility in Illinois, USA and undertaking its business through Contract manufacturing the products sold by it in USA/North America by engaging USFDA approved manufacturing partners meeting the quality standards acceptable to the Company.

In line with the above, the Company has now engaged multiple USFDA approved manufacturing partners, after thorough due diligence and inspection of their facilities, to manufacture various products of the Company for sale in USA/ North America under the same brand and Wockhardt name.

The Company believes, that this new arrangement is in the best interest of the Company as this will help the Company to avoid the manufacturing and quality management cost completely and allow the management to focus on penetrating and expansion of the market share of its products in US/ North America.

Amidst various challenges during the year, your Company was focused on deployment of funds and setting its investments priorities to ensure maximum return. Secondly, it dedicated focus on the expense side with cost containment measures. Significant efforts to identify new revenue streams and enhance profitability and cash flow also translated into new partnerships in International geographies.

Updates on Research & Development:

Your Company continues to focus on Drug Discovery Program to bring novel antibiotics to the market for catering to unmet needs in the area of resistant Gram-positive and Gram-negative infections where there is dearth of medicines across the world.

With the global rise in the prevalence of resistant strains, and the emergence of newer resistance mechanisms as well as new pathogenic organisms, where the existing antibiotics show little impact, the overall infectious disease scenario is highly concerning. This is further buttressed by a recent publication in reputed Journal, 'The Lancet' which estimated the annual global mortality touching 4.95 million due to antibiotic resistant infections. The Company with its array of drugs under development in this space aims to counter these diseases in both regulated and unregulated markets.

Current status of Qualifies Infectious Disease Product (QIDP) category NCEs: Spurring Clinical development of NCEs in different territories:

WCK 5222: Phase 3 study involving patients with complicated urinary tract infections started in October 2022 and is progressing well. As of now, 162 patients have been enrolled and completed treatment with either study drug WCK 5222 or comparator drug meropenem without any incidence of Serious Adverse Effects. Meanwhile, under compassionate use, DCGI approved the use of WCK 5222 on patients infected with extreme-drug-resistant pathogens that did not respond to available/ last line antibiotics. Five (5) such critically-ill patients were successfully treated with WCK 5222.

WCK 4282: The start of Phase 3 study involving cUTI patients is deferred for now in view of need to prioritize WCK 5222 clinical study. Recently, a collaborative study between Albany College of Pharmacy and Health Sciences, USA & Christian Medical College and Hospital, India, showing promising activity of WCK 4282 against emerging resistant pathogens was presented in the 33rd European Congress of Clinical Microbiology and Infectious Diseases (ECCMID) at Copenhagen, Denmark.

WCK 4873: The recruitment of required target numbers of patients for Phase 3 study has been successfully completed in May 2023. New drug Application (NDA) filing is planned to be completed in December, 2023.

WCK 771 & WCK 2349: Since their launch, both Emrok & Emrok O have been gaining wider clinical acceptability by virtue of their ability to address unmet need in the management of serious Gram-positive infections with about 48,000 patients already treated with these novel drugs. To further expand the treatment scope of Emrok & Emrok O, four new clinical studies have been successfully completed.

WCK 6777: World's most prestigious and largest bio-medical research organization, the National Institutes of Health (NIH), USA has recognized the clinical significance of WCK 6777 and accordingly selected it for the conduct of Phase 1 study. The study was initiated in April 2023 and is progressing well.

New NCE/ Patents:

Your Company has strong focus on developing intellectual property and has filed 11 new patents during the year under review. During the same period, 7 patents were granted of which 5 patents were for NCEs. Thus, year after year an impressive success rate for the grant of NCE patents is maintained. As on March 31, 2023, combined pool of the Company's patents has reached 3,239 filings and 810 grants.

Biotechnology Research

Development of Biosimilars and Biobetters is our Biotech R&D team's primary focus area. Biotechnology is viewed by global experts as the Pharmaceutical Technology of the future, and we have a very strong commitment to this field. Our highly accomplished multidisciplinary team of committed Biotechnologists, Biochemists, Biophysicists, Biochemical and Chemical Engineers as well as Protein Chemists is poised to develop Biological Drugs to address unmet clinical needs.

Biotechnology R&D team of the Company has succeeded in developing and commercializing Recombinant Hepatitis-B Vaccine (Biovac-B), Recombinant Human Erythropoietin (WEPOX), Recombinant Human Insulin (WOSULIN), Recombinant Insulin Glargine (GLARITUS), which have all been well received in the market.

Your Company has a robust pipeline of recombinant therapeutic proteins for major healthcare needs. Out of these, Recombinant Interferon Alfa 2b and PEGylated G-CSF have already been approved for manufacturing and marketing in India. The overall focus is the development and commercialization of antidiabetic Biosimilar products. Other products at different stages of development are Recombinant Insulin Analogues (Insulin Aspart, Insulin Lispro), Recombinant Darbepoetin, GLP-1 Agonists etc. Pharmacokinetic and Pharmacodynamic (PK/PD) study for Insulin Aspart has been initiated and is estimated to be completed in FY 22-23.

E. coli-based platform technology for Insulin has started displaying its potential, as revealed by the scale up studies in Project E, promising more than 24 Kg/batch in Project C and a capacity of ~3 tons/year in the existing plant and with DSP up-gradation a capacity of > 6 tons/annum is achievable. The platform technology offers an opportunity with a surmountable challenge to replicate the same for other Insulin Analogues. E. coli-based platform technology for Insulin Aspart has also been successfully scaled up under Project E.

Biobetters:

Insulin for insulin resistant/higher BMI diabetic patients:

In-house developed Biobetter Recombinant Human Insulin (200IU/mL): Consegna R and Consegna 30/70, have already been launched in India. With 50% volume reduction per dose, Consegna which promises reduced pain and better compliance has been well received in the market.

Biotechnology team is also developing other Biobetter drugs like combination of Insulin and Insulin Analogues; Insulin/Insulin Analogues and GLP-1 agonist for addressing the patients' needs, particularly of Insulin Resistant/higher BMI diabetic patients. Preclinical study for one of the Insulin/Insulin Analogue Biobetter drug products is planned to be initiated in 2023-24.

Vaccines:

During the covid-19 pandemic, your Company successfully transferred non-replicating viral vector based covid-19 vaccine technology and carried out process validation at its manufacturing facility. The Company also successfully obtained the necessary regulatory approvals for manufacturing and export of the covid-19 vaccine. However, due to unforeseen event of the Russia-Ukraine conflict, our Russian partner was put under US led sanctions, due to which this business did not take shape as anticipated.

Impact of COVID-19 on use of Medicines

Global spending on medicines from 2020 to 2027 is expected to exceed the pre-pandemic outlook by $497 Billion in aggregate, largely due to new spending on COVID-19 vaccines and novel therapeutics, as well as the impact on other therapeutic areas. Global market growth will return to pre-pandemic projected rates by 2024 despite year-to year fluctuations and geographical variations.

Most regions around the world have exceeded previously projected first wave of COVID-19 vaccination rates, resulting in 530 million more vaccinated people by the end of 2023 than initially modelled.

The COVID-19 pandemic has transitioned to a new phase with vaccines and therapeutics available but inconsistently used and resulting periodic emergence of infection and hospitalization surges leaving significant uncertainty in the years ahead.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the year under review are prepared in compliance with applicable provisions of the Companies Act, 2013 ('the Act') read with the Rules issued thereunder, applicable Accounting Standards and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

A copy of the Financial Statements of the Subsidiaries shall be made available for inspection at the Registered Office of the Company during business hours. The Audited Financial Statements of the Company including Consolidated Financial Statements and Financial Statements of its Subsidiaries are also available on the website of the Company. Any shareholder interested in obtaining a copy of the separate Financial Statements of the Subsidiary (ies) can make specific request in writing to the Company Secretary and the same will be furnished on request.

The Company discloses Consolidated and Standalone Financial Results on a Quarterly basis which are subjected to Limited Review and publishes Consolidated and Standalone Audited Financial statements on an Annual basis. There were no revisions made to the Financial Statements during the year under review.

DIVIDEND AND RESERVES

The Board of Directors of your Company does not recommend any dividend on the Equity Shares of the Company for the year ended March 31, 2023; and no amount has been transferred to the General Reserve of the Company.

DIVIDEND DISTRIBUTION POLICY

Dividend Distribution Policy of your Company aims at striking the right balance between the quantum of dividend paid to its Shareholders and the amount of profits retained for its business requirements, present and future. The Policy intends to broadly specify various external and internal factors that shall be considered while declaring dividend and the circumstances under which the Shareholders of the Company may or may not expect dividend.

The Policy is available on the website of the Company, at https://www.wockhardt.com/wp-content/uploads/2020/05/dividend-distribution-policy.pdf.

CAPITAL AND DEBT STRUCTURE

During the year under review, the Company had allotted 28,170 Equity Shares of ₹5 each against exercise of stock options granted under Wockhardt Employees' Stock Option Scheme – 2011 ('the Scheme') on 6th February, 2023 and consequently, the issued, subscribed and paid-up share capital of the Company as on March 31, 2023 increased from ₹ 72,03,00,765 (divided into 14,40,60,153 equity shares of ₹ 5 each) to ₹ 72,04,41,615 (divided into 14,40,88,323 equity shares of ₹ 5 each). Further 6,250 equity shares were allotted on 5th May, 2023 upon exercise of stock options granted under the Scheme. The Equity Shares issued under the Scheme ranked *pari-passu* with the existing equity shares of the Company.

Other than the above, there were no other issue/ allotment of Equity Shares, securities convertible into Equity Shares or Debentures during the year under review. The Company does not have any scheme to fund its employees to purchase the shares of the Company. Further, no shares have been issued to employees of the Company except under the Scheme mentioned above. The Company has not issued any shares having differential rights.

During the previous year, the Company had partly repaid its outstanding Debentures and consequently, the details of Non-Convertible Debentures ('NCDs') outstanding as on March 31, 2023 were as under:

Date of Allotment/ Disbursement	No. of ('NCDs') Issued	Issue Price	Maturity Date	Amount Raised	Amount Repaid	Face value after part payment	Amount Outstanding
28/04/2021	7,500	₹ 1,00,000/- each	36 months from the date of Allotment	₹ 75 crore	₹ 7.5 crore	₹ 90,000/- each	₹67.5 crore
12/05/2021	7,500	₹ 1,00,000/- each	36 months from the date of Allotment	₹ 75 crore	₹ 7.5 crore	₹ 90,000/- each	₹ 67.5 crore
28/05/2021	5,000	₹ 1,00,000/- each	36 months from the date of Allotment	₹ 50 crore	₹ 5 crore	₹ 90,000/- each	₹ 45 crore
21/10/2021	5,000	₹ 1,00,000/- each	36 months from the date of Allotment	₹ 50 crore	₹ 5 crore	₹ 90,000/- each	₹ 45 crore

Catalyst Trusteeship Limited is acting as the Trustee for all the aforesaid ('NCDs').

As on March 31, 2023, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

During the year under review, there were no instance where the Company failed to implement any corporate action within the specified time limit.

CREDIT RATINGS

During the year 2022-23, CARE Ratings Limited ('CARE Ratings') has re-affirmed the Company's ratings for Long-Term Bank Facilities (Fund Based) as "CARE BBB-; Stable" and for Short Term Bank Facilities (Non Fund Based) as "CARE A3". CARE Ratings has also assigned a rating for the Company's Non-Convertible Debentures issue aggregating to ₹ 250 crore as "CARE BBB-; Stable" on September 2, 2022.

Further, India Rating & Research Private Limited has revised the Company's ratings for Long Term Loan Facility of ₹ 111.2 crore to "IND BB+/ Stable", Fund Based limits of ₹ 339 crore as "IND BB+/ Stable", Non-Fund Based limits of ₹ 171.2 crore as "IND A4+" and Fund Based /Non-Fund Based Interchangeable limits of ₹ 173.75 crore as "IND BB+/Stable/ IND A4+" on December 22, 2022. The ratings were revised by the Agency *inter alia*, due to refinancing risks in the medium term, financial performance during 1HFY23 (although Financial Performance on Q2Q basis showed improvement), consolidated debt level (including promoter loans), impact on liquidity due to NCE R&D commitments etc.

EMPLOYEE STOCK OPTION SCHEME

Pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable laws, if any, the required disclosures as on March 31, 2023 are annexed as **Annexure I** to this Report.

The Certificate from the Secretarial Auditor on the implementation of the Scheme in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) ("SEBI SBEB Regulations"), has been uploaded on the website of the Company at https://www.wockhardt.com/wp-content/uploads/2023/07/wl-esos-31-03-2023.pdf and also forms part of the Annexure.

During the year under review, there were no changes in the Employee Stock Option Scheme and the same complies with the SEBI SBEB Regulations.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Exim Bank withdrew its nomination of Ms. Rima Marphatia, as Exim Bank's Nominee Director on the Board of Directors of the Company on August 3, 2022, consequent to full repayment of loan taken from the Bank.

Further, Mr. Pramod Gupta, who was appointed as the Chief Financial Officer of the Company on April 4, 2022 resigned from his position on June 6, 2022 on health grounds. Consequently, based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors of the Company at its Meeting held on June 7, 2022 appointed Mr. Deepak Madnani as the Chief Financial Officer and Key Managerial Personnel of the Company effective that date. The Board places on record its appreciation for the valuable contributions during the short but important tenure of Mr. Gupta as the Chief Financial Officer of the Company.

In terms of the provision of Section 152 of the Act Ms. Zahabiya Khorakiwala (DIN: 00102689), Non-Executive Director retires by rotation as a Director at the forthcoming Annual General Meeting ('AGM') and being eligible, offers herself for re-appointment. The Board recommends the proposal of her re-appointment for the consideration of the Members of the Company at the forthcoming AGM.

All the Independent Directors have furnished 'Declaration of Independence' stating that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and there has been no change in the circumstances which may affect their status as Independent Director and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. The Independent Directors have also affirmed that they have complied with the Company's Code of Business Conduct & Ethics and Code for Independent Directors prescribed in Schedule IV to the Act.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have also submitted declaration that they have registered themselves on the online data bank of the Indian Institute of Corporate Affairs.

In accordance with the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Dr. Murtaza Khorakiwala, Managing Director, Mr. Deepak Madnani, Chief Financial Officer and Mr. Debashis Dey, Company Secretary & Compliance Officer are the Key Managerial Personnel ('KMP') of your Company.

None of the Directors are disqualified under Section 164 of the Act. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

MEETINGS OF THE BOARD

During the year under review, 6 (six) meetings of the Board of Directors were held and they have accepted all recommendations made to it by its various committees. The details of these meetings of the Board of Directors are given in the Report on Corporate Governance forming part of this Annual Report.

The maximum interval between any two Board meetings did not exceed 120 days, as prescribed by the Act and the SEBI Listing Regulations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Act the Directors state that:

(a) in the preparation of Annual Accounts for the year ended March 31, 2023 the applicable Accounting Standards have been followed and that no material departures have been made from the same;

(b) such Accounting Policies as mentioned in the notes to the Financial Statements for the year ended March 31, 2023 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year ended March 31, 2023;

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

(d) the Annual Accounts for the year ended March 31, 2023 have been prepared on a going concern basis;

(e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and operating effectively; and

(f) proper systems to ensure compliance with the provisions of all the applicable laws have been devised and that such systems are adequate and operating effectively.

PERFORMANCE EVALUATION

The Board, on the recommendation of the Nomination and Remuneration Committee have laid down criteria for performance evaluation of the Board of Directors including Independent Directors. Pursuant to the requirement of the Act the SEBI Listing Regulations and considering criteria specified in the SEBI Guidance Note on Board Evaluation, the Board has carried out the Annual Performance Evaluation of the entire Board, Committees and all the Directors based on the parameters as detailed in the Report on Corporate Governance forming part of this Annual Report. The parameters of performance evaluation were circulated to the Directors in the form of questionnaire.

The performance evaluation of the Non-Independent Directors including the Chairman of the Company and performance of the Board as a whole was discussed at the separate meeting of the Independent Directors held on March 14, 2023.

COMMITTEES OF THE BOARD

The Board of Directors has constituted the following Committees:

a) Audit Committee

b) Nomination and Remuneration Committee

c) Stakeholders Relationship Committee

d) Corporate Social Responsibility Committee

e) Risk Management Committee

f) ESOS Compensation Committee

g) Finance and Management Committee (Formerly known as Credit Facilities Committee)

h) Capital Raising Committee

i) Share Allotment Committee

The details of the Committees of the Board along with their composition, number of meetings and attendance at the meetings are provided in the Report on Corporate Governance forming part of this Annual Report.

AUDITORS AND REPORTS OF THE AUDITORS

a. STATUTORY AUDITOR

M/s. B S R & Co. LLP, Chartered Accountants (Firm's Registration No. 101248W/W-100022), were appointed as the Statutory Auditors of the Company at the 20th Annual General Meeting ('AGM') of the Company held on August 14, 2019 for a term of 5 (five) years i.e. till the conclusion of ensuing 25th AGM (to be held for the financial year 2023 - 24) at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

The reports of the Statutory Auditors on the Standalone and Consolidated Financial Statements forms part of this Annual Report. The Auditors Report does not contain any qualification, reservation and adverse remark. There were no instances of fraud reported by the Auditors during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the Rules framed thereunder.

b. COST AUDITORS

During the year under review, the Company has maintained Cost Records pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time and as recommended by the Audit Committee, the Board of Directors of the Company appointed M/s. Kirit Mehta & Co., Cost Accountants as Cost Auditors to conduct the audit of Cost Record of the Company for the financial year 2023-24. The Company has received consent from M/s. Kirit Mehta & Co. to act as Cost Auditors. Further, pursuant to the aforesaid provisions of the Act the remuneration payable to M/s. Kirit Mehta & Co. for conducting the audit of the Cost Records of the Company for the financial year ending on March 31, 2024 needs to be ratified by the Members of the Company and accordingly the resolution for the said ratification shall be placed for approval of Members of the Company at the ensuing AGM.

The Cost Auditors' Report for the financial year ended March 31, 2023 did not contain any qualification, reservation or adverse remark, and the same was duly filed with the Ministry of Corporate Affairs within the due date during the year under review.

Further, there were no instances of fraud reported by the Cost Auditors during the year under review, which required the Cost Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the Rules framed thereunder.

c. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Board on the recommendation of the Audit Committee, has appointed Mr. Virendra G. Bhatt, Practising Company Secretary (COP No. 124) as Secretarial Auditors to conduct Secretarial Audit of the Company for the year ended March 31, 2023. The Secretarial Audit Report issued in the Form MR-3 by Mr. Bhatt is self-explanatory and is annexed as **Annexure II** to this Report.

Pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Company has obtained the Annual Secretarial Compliance Report for the year under review from a Practicing Company Secretary and submitted the same to the Stock Exchanges where the shares of the Company are listed.

Further, there were no instances of fraud reported by the Secretarial Auditors during the year under review, which required the Secretarial Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the Rules framed thereunder.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the mandated Secretarial Standards issued by the Institute of Company Secretaries of India.

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in Form MGT-7 has been placed on the Company's website and can be accessed using the link viz. https://www.wockhardt.com/investors/annual-return/.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, 'CSR Policy' as recommended by the CSR Committee and approved by the Board is uploaded on the website of the Company and can be accessed using the link https://www.wockhardt.com/wp-content/uploads/2020/05/csr-policy.pdf.

The average Net Profit of the Company for the immediately preceding 3 financial years calculated as per Section 198 of the Act was negative. Hence, no amount was required to be spent on CSR activities during the financial year 2022-23. The details on CSR activities as required under the Act and the Relevant rules as amended from time to time, is annexed as **Annexure III** to this Report.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Your Company has been following well laid down policy on appointment and remuneration of Directors, KMP and Senior Management Personnel.

The appointment of a Director is made pursuant to the recommendation of Nomination and Remuneration Committee ('NRC'). The remuneration of Executive Directors comprises of Basic Salary, Perquisites & Allowances, and follows applicable requirements as prescribed under the Act. Approval of Shareholders for payment of remuneration to such Executive Directors is sought, from time to time.

The remuneration of Non-Executive Directors comprises of sitting fees & commission, if any, in accordance with the provisions of the Companies Act, 2013; and reimbursement of expenses incurred in connection with attending the Board meetings, Committee meetings, General meetings in relation to the business of the Company. During the year under review, the Company has not paid any commission to the Non-Executive Directors.

A brief of the Remuneration Policy on the appointment and remuneration of Directors, KMP and Senior Management is provided in the Report on the Corporate Governance forming part of this Annual Report. Further, the Policy is available on the website of the Company and the web link thereto is https://www.wockhardt.com/wp-content/uploads/2020/05/wl-remuneration-policy.pdf

NRC has also formulated criteria for determining qualifications, positive attributes and independence of a Director and the same have been provided in the Report on Corporate Governance forming part of this Annual Report.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has adequate internal financial control procedures commensurate with its size and nature of business. These controls include well defined policies, guidelines, Standard Operating Procedures ('SOPs'), authorization and approval procedures and technology intensive processes. The internal financial controls of the Company are adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets and that the business is conducted in an orderly and efficient manner.

The Company continues with its past practice of a co-sourced model for Internal Audit. The Company's internal audit team is assisted by M/s. Ernst and Young, who carry out internal audit reviews in accordance with the approved Internal Audit Plan. The Internal Audit team reviews the status of implementation of internal audit recommendations. Summary of critical observations, if any and recommendations under implementation are reported to the Audit Committee.

During the year under review, M/s. Ernst and Young has reviewed the self-assessment tool on the adequacy of Internal Financial Control ('IFC') process of the Company in accordance with the requirement of the Act. There were no material adverse observations noted in this review.

RISK MANAGEMENT

The Board has constituted a Risk Management Committee comprising of Dr. Habil Khorakiwala as Chairman, Mr. Davinder Singh Brar, Independent Director and Dr. Murtaza Khorakiwala, Managing Director as its members. During the financial year under review, the Risk Management Committee met twice and the details of these meetings are given in the Report on Corporate Governance forming part of this Annual Report.

Enterprise Risk Management (ERM) framework encompasses practices relating to the identification, analysis, evaluation, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives. The Company identifies and tries to mitigate risks that matter on an ongoing basis. Risk Management Policy approved by the Board is in place. Risk management is embedded in strategic business decision-making of the Company.

The current key risk relates to regulatory risk on overseas operations and business. This is arising out of periodic regulatory audits at the Company's manufacturing locations, which are being adequately addressed through strengthening of the current processes and controls by the Company's internal quality assurance and manufacturing teams and through the help of reputed external consultants. There are no risks, which in the opinion of the Board, threaten the existence of your Company. Other details about Risk Management have also been elaborated in the Report on Corporate Governance forming part of this Annual Report.

INSURANCE

All properties and insurable interests of the Company including buildings, plant & machinery and stocks have been adequately insured.

GREEN INITIATIVE

Your Company regularly undertakes green initiatives to preserve the environment, which includes energy saving, water conservation and usage of electronic mode in internal processes & control, statutory and other requirements. Shareholders, who have not already done so, are requested to register their e-mail IDs with the Depositories/ RTA/ Company, as the case may be, for receiving all communication from the Company electronically.

POLICIES

For better conduct of operations and in compliance with regulatory requirements, your Company has framed and adopted certain policies. In addition to the Company's Code of Business Conduct and Ethics, key policies/codes that have been adopted by the Company are as follows:

Name of the Policy/ Code	Brief Description	Web Link
Policy for determining Materiality of Events	This Policy aims to determine Materiality of events/ information.	https://www.wockhardt.com/wp-content/uploads/2020/05/policy-determining-materiality-of-events.pdf
Archival Policy	The Policy deals with archival of the Company's records and documents.	https://www.wockhardt.com/wp-content/uploads/2020/05/archival-policy.pdf
Policy for determining Material Subsidiaries	The Policy determines the material subsidiaries and of the Company and to provide the governance framework for them.	https://www.wockhardt.com/wp-content/uploads/2022/08/pms-31122.pdf
Policy on Materiality of and Dealing with Related Party Transactions	The Policy regulates all transactions between the Company and its' related parties.	https://www.wockhardt.com/wp-content/uploads/2022/08/prt-31122.pdf
Vigil Mechanism / Whistle Blower Policy	The Company has adopted the Vigil Mechanism for Directors and Employees of the Company to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct.	https://www.wockhardt.com/wp-content/uploads/2020/05/whistle-blower-policy-04-03-20.pdf
Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information	The Code determines the principles for fair disclosure of Unpublished Price Sensitive Information.	https://www.wockhardt.com/wp-content/uploads/2020/05/code-of-fair-disclosur-of-upsi-2-4-19.pdf
Corporate Social Responsibility Policy	The Policy outlines the Company's strategy to bring about a positive impact on the society through programs relating to education, healthcare, environment, etc.	https://www.wockhardt.com/wp-content/uploads/2020/05/csr-policy.pdf
Remuneration Policy	This Policy formulates the criteria for determining qualification, competencies, positive attributes and independence for the appointment of Directors and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Employees.	https://www.wockhardt.com/wp-content/uploads/2020/05/wl-remuneration-policy.pdf

Name of the Policy/ Code	Brief Description	Web Link
Dividend Distribution Policy	The Policy determines the parameters/ basis for declaration of dividend.	https://www.wockhardt.com/wp-content/uploads/2020/05/dividend-distribution-policy.pdf
Policy on Preservation of Records	The Policy deals with periodicity of retention of the Company records and documents.	https://www.wockhardt.com/wp-content/uploads/2023/07/policy-for-preservation-of-documents.pdf
Risk Management Policy	The Policy is intended to institutionalize the risk management framework of the Company which includes identification, review and reporting of material risks.	https://www.wockhardt.com/wp-content/uploads/2023/07/risk-management-policy.pdf
Forex Risk Management Policy	The Policy defines, identifies, measures, manages, mitigates and reviews potential risks pertaining to fluctuations in Foreign Exchange.	https://www.wockhardt.com/wp-content/uploads/2023/07/forex-risk-management-policy.pdf
Code of Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons	The Policy provides the framework in dealing with securities of the Company by Designated Persons and their Immediate relatives.	https://www.wockhardt.com/wp-content/uploads/2023/07/prohibition-of-insider-trading-code.pdf
Anti-bribery and Anti-corruption Policy	The Policy provides for the prevention, deterrence and detection of fraud, bribery and other corrupt business practices in order to conduct the business activities with honesty, integrity with highest possible ethical standards.	https://www.wockhardt.com/wp-content/uploads/2023/04/anti-bribery-and-corruption-policy.pdf
Human Right Policy	The Policy aims at social & economic dignity and freedom, regardless of nationality, ethnicity, gender, race, economic status or religion Also focuses to uphold International Human Rights Standards.	https://www.wockhardt.com/wp-content/uploads/2023/04/human-rights-policy.pdf
Stakeholder Grievance Policy	The Policy aims to create a sustainable environment by laying out a mechanism through which relevant Stakeholders, who may be affected by or can influence organisation's decisions may communicate and convey their grievances and suggestions to the Company.	https://www.wockhardt.com/wp-content/uploads/2023/04/stakeholders-relationship-policy.pdf
Acceptable usage Policy for IT System	The Policy outlines the acceptable use of computing equipment and information security awareness.	https://www.wockhardt.com/wp-content/uploads/2023/07/acceptable-usage-policy-for-it-systems.pdf
Business Responsibility and Sustainability Policy	The Policy outlines the Company´s view on and overall ambitions in the sustainability segment, which serves as a broad framework for the whole growth.	https://www.wockhardt.com/wp-content/uploads/2023/04/business-responsibility-and-sustainability-policy.pdf
Environment, Health, Safety and Sustainability (EHS&S) Policy	The Policy aims at ensuring a safe and healthy work environment, taking active steps to ensure goal of zero accidents and Environmental incidences through continual improvement of the applicable systems.	https://www.wockhardt.com/wp-content/uploads/2023/04/environment-health-safety-sustainability-policy.pdf
Anti – Trust and Fair Competition Policy	The Policy provides for Wockhardt's commitment to Antitrust and Competition Laws to conduct business in a Fair, Ethical and Transparent manner demonstrating zero tolerance towards "Unfair Methods of Competition" and "Unfair or Deceptive acts or Practices".	https://www.wockhardt.com/wp-content/uploads/2023/04/anti-trust-and-fair-competition-policy.pdf
Diversity Inclusion and Equal Opportunity Policy	The Policy sets out the principles and requirements by which Wockhardt will enhance the diversity, equity and inclusion throughout the organization.	https://www.wockhardt.com/wp-content/uploads/2023/04/diversity-inclusion-and-equal-opportunity-policy.pdf
Communication Policy	The Policy outlines prompt communication of any information to the public, including those that could have a significant effect on the price of its securities, such as shares, debentures and bonds, if any.	https://www.wockhardt.com/wp-content/uploads/2023/04/communications-policy.pdf
Familiarisation Program	The Policy ensures that the Independent Directors are familiarised with with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the company operates, business model of the Company etc. through various programs.	https://www.wockhardt.com/investors/corporate-governance/familiarisation-programs/
Terms of appointment of ID	The terms comprises of Role, Duties and Responsibilities, accompanying liabilities, etc for the Independent Directors ("ID").	https://www.wockhardt.com/wp-content/uploads/2020/05/draft-letter-of-appointment-of-independent-diector-including-terms-of-reference.pdf
Cyber Security Policy	This Policy outlines implementation of robust security measures and establishes guidelines for the responsible use and protection of digital assets.	https://www.wockhardt.com/wp-content/uploads/2023/07/wockhardt-cybersecurity-policy.pdf
Code of Business Conduct and Ethics	This Code is intended to focus the Board, each director and each of the Senior Management personnel on areas of ethical risk, provide guidance to help them recognise and deal with ethical issues, provide mechanism to report unethical conduct, and help foster a culture of honesty and accountability.	https://www.wockhardt.com/wp-content/uploads/2023/07/code-of-business-conduct-and-ethics.pdf

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, investments and guarantees covered under the provisions of Section 186 of the Act are provided under Note 6 in the Notes to financial statements forming part this Annual Report.

PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2022-23, all contracts/ arrangements/ transactions entered into by the Company with its related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with and materiality of related party transactions and the related party framework, formulated and adopted by the Company. Prior omnibus approvals were obtained from the Audit Committee for related party transactions which were repetitive in nature, entered in the ordinary course of business and on an arm's length basis. No transaction with any related party was in conflict with the interest of the Company.

The Company did not enter into any related party transaction directly with its Key Managerial Personnel or their relatives. The details of related party transactions are provided under Note 40 in the Notes to financial statements forming part of this Annual Report.

The particulars of contracts/ arrangements with related parties in Form AOC-2 are provided in **Annexure IV** to this Report.

VIGIL MECHANISM

Pursuant to the requirements laid down under Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has well laid down Vigil Mechanism. The details of the same are provided in the Report on Corporate Governance forming part of this Annual Report. During the year under review, the Company did not receive any complaint under Vigil Mechanism.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosure with respect to the remuneration of Directors and employees as required under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been annexed to this Report as **Annexure V**.

In accordance with the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms a part of this Report. Pursuant to the provisions of Section 136(1) of the Act the Board's Report is being sent to the Shareholders of the Company excluding the said statement. Any Shareholder interested in inspection or obtaining a copy of the statement may write to the Company Secretary of the Company and the same will be furnished on request.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on the conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided in **Annexure VI** to this Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANY

As on March 31, 2023 the Company had total of 29 Subsidiaries. There are no associates or joint venture companies within the meaning of Section 2(6) of the Act.

During the year under review, Laboratories Pharma 2000 S.A.S, Niverpharma S.A.S, Negma Beneulex S.A. and Phytex S.A.S were wound up and hence ceased to be the Subsidiaries of the Company.

In accordance with Section 129(3) of the Act a statement containing salient features of the Subsidiaries of the Company is provided in Form AOC-1 annexed as **Annexure VII** to this Report.

DEPOSITS

During the year under review, your Company has not accepted any Deposits under Chapter V of the Act and as such, no amount on account of principal or interest on Deposits from the Public was outstanding as on March 31, 2023.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company strongly believes in providing a safe and harassment-free workplace for every individual working for the Company through various interventions and practices. It is the continuous endeavor of the Management of the Company to create and provide an environment to all its associates that is free from sexual harassment. Pursuant to the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 the Company has constituted Internal Committees (IC) across all the locations which are responsible for redressal of complaints related to sexual harassment at respective locations. The Company arranged various interactive awareness workshops in this regard for the Associates at all the manufacturing sites & Corporate Office during the year under review.

During the financial year 2022-23, the Company did not receive any complaints on sexual harassment.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURT

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

MATERIAL CHANGES AND COMMITMENTS OCCURRED AFTER THE END OF FINANCIAL YEAR

There are no material changes and commitments between the end of the financial year of the Company and as on the date of this Report which can affect the financial position of the Company.

MANAGEMENT DISCUSSION & ANALYSIS (MDA)

MDA for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a separate section which forms a part of this Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

The Business Responsibility and Sustainability Report of the Company for the year ended March 31, 2023, is provided in a separate section and forms part of this Annual Report and is also made available on the website of the Company at www.wockhardt.com.

CORPORATE GOVERNANCE

A Report on Corporate Governance along with a Certificate from Practicing Company Secretary confirming the compliance of the conditions of Corporate Governance forms a part of this Annual Report.

STATUTORY INFORMATION AND OTHER DISCLOSURES

a. A detailed disclosure with regard to the unclaimed dividend required to be transferred to IEPF by your Company forms part of the Report on Corporate Governance;

b. No application has been made under the Insolvency and Bankruptcy Code hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;

c. There were no deviation or variation in connection with the terms of Rights Issue;

d. During the year under review, there was no change in the nature of business of the Company;

e. There was no revision of Financial Statements and the Board's Report of the Company during the year under review;

f. The requirement to disclose the details of difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation and acknowledge the dedication & contribution made by the employees of the Company at all levels. Your Directors also wish to place on record their appreciation to all the Stakeholders of the Company viz. customers, members of medical profession, investors, banks, regulators for their unrelenting support during the year under review.

For and on behalf of the Board of Directors

HABIL KHORAKIWALA
Chairman
DIN: 00045608

Place : Mumbai
Date : May 26, 2023

MANAGEMENT DISCUSSION & ANALYSIS

Global Pharmaceutical Industry & Economies: The resilience of the Pharmaceutical Industry, the unprecedented efforts of the medical research community and the extent of humanitarian bonding between nations with an aim to target the deadliest health catastrophe of the century eventually paid off. In September, the head of the World Health Organization declared that the end of the pandemic is "in sight." That reality was evident in the fact that many countries abandoned the multiple restrictions and related measures that they had imposed when COVID swept across the world in early 2020.

On the surface, the global economy appears poised for a gradual recovery from the powerful blows of the pandemic and of Russia's unprovoked war on Ukraine. China is rebounding strongly following the reopening of its economy. Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding. Simultaneously, the massive and synchronous tightening of monetary policy by most central banks should start to bear fruit, with inflation moving back toward its targets.

As countries are battered with grave challenges, on the other hand they have become self-reliant and explored new avenues and opportunities in various areas to sustain the growth. Climate change awareness gained traction globally with key powers injecting fresh urgency on need to undertake positive initiatives. Renewables energy had a record year with significant flow of investments which marked the commitment of nations to shift to a more sustainable model for the long run.

Tensions between the U.S and China have been rising over the years, ranging from trade and tariffs to tech rivalry and alleged spying. In recent years, tensions between the United States and China have introduced new challenges—especially related to economic and defense issues. China is a major trading partner for the United States but it is also developing its military capabilities, which poses challenges to the U.S. military. Further, the current Russia-Ukraine conflict has severely strained U.S.-Russia relations and increased the risk of a wider European conflict. Tensions are likely to increase between Russia and neighboring NATO member countries that would likely involve the United States, due to alliance security commitments. The conflict will also have broader ramifications for future cooperation on critical issues like arms control; cybersecurity; nuclear nonproliferation; global economic stability; energy security; counterterrorism; and political solutions in Syria, Libya, and elsewhere. Additionally, Russia's increasing isolation has not only destabilized global energy and resource markets but also pushed the country to seek stronger strategic ties with those states (e.g., China) still willing to partner with it, largely in opposition to the West. The war has also compounded other global crises, with military operations and violence hindering the delivery and distribution of much-needed aid, including food, and exacerbating an already severe shortage of available global humanitarian assistance and resources. This has led economies on brink of "Perfect storm" of crisis. It has set in motion a three dimensional crisis on Food, Energy and Finance that is producing alarming cascading effects to an ecosystem which is already battered by COVID-19, Food Inflation & Shortages, Energy and commodity price increase, Debt distress, Blackouts and Climate change. Additionally, political instability, economic, and climate crises wrecked Pakistan in 2022 with downfall of the existing government and escalating debt crisis.

Lingering concerns: Tentative signs in early 2023 that the world economy could achieve a soft landing—with inflation coming down and growth steady. Although inflation has declined as central banks have raised interest rates and food and energy prices have also moderated, underlying price pressures are proving sticky, with labor markets tight in a number of economies. Side effects from the fast rise in policy rates are becoming apparent, as banking sector vulnerabilities have come into focus and fears of contagion have risen across the broader financial sector, including nonbank financial institutions. In parallel, the other major forces that shaped the world economy in 2022 seem set to continue into this year, but with changed intensities. Debt levels remain high, limiting the ability of fiscal policymakers to respond to new challenges. Commodity prices that rose sharply following Russia's invasion of Ukraine have moderated, but the war continues, and geopolitical tensions are high. In a plausible alternative scenario with further financial sector stress, global growth declined to about 2.5 percent in 2023—the weakest growth since the global downturn of 2001, barring the initial COVID-19 crisis in 2020 and during the global financial crisis in 2009—with advanced economy growth falling below 1 percent. The anemic outlook reflects the tight policy stances needed to bring down inflation, the fallout from the recent deterioration in financial conditions, the ongoing war in Ukraine, and growing geo-economic fragmentation.

GLOBAL USE OF MEDICINES AND PROJECTED TRENDS

The use of medicines globally plateaued in 2022 following a significant rebound in 2021 as markets recovered from the pandemic. Overall volume is projected to grow 1.6% CAGR in days of therapy through 2027, driven by Asia-Pacific, India, Latin America, Africa and the Middle East, and China, all of which are expected to exceed global volume growth. Higher income countries in Western Europe and North America as well as Japan and Eastern Europe are expected to grow more slowly at 0.1 to 0.4% through 2027, partly due to their already higher per capita use. Eastern Europe volume growth is also hampered by disruptions from the ongoing Ukraine conflict.

Per capita use of medicines varies by GDP, with use in higher-income countries typically higher than in lower income countries. Countries such as Japan and those in Western Europe have more than double the use of most other regions measured in WHO defined daily doses.

Countries vary considerably in the therapy areas which drive most of their volume use of medicines, linked to the burden of disease they experience as well as factors which influence the structure and functioning of health systems. While overall volume has increased by 2% CAGR over the past decade, oncology has increased at 15% per year, driven by the significant advances in novel treatments and improved access to cancer care around the world.

SPENDING AND GROWTH BY REGIONS AND KEY COUNTRIES

	Spending in USD Bn			
Regions	**2022**	**2018-2022 CAGR**	**2027**	**2023-2027 CAGR**
Global	1482.3	6.10%	1900-1930	3-6%
Developed	1088.3	5.70%	1370-1400	2.5-5.5%
10 Developed	968.9	5.70%	1207-1237	2.5-5.5%
Other Developed	119.4	6.40%	156-176	4-7%
Pharmerging	370.8	7.20%	487-518	5-8%
Lower Income Countries	23.2	6.00%	29-33	4.5-7.5%

The global medicine market — at invoice price levels — is expected to grow at 3–6% CAGR through 2027, reaching about $1.9Tn in total market size. Spending and volume growth will follow diverging trends by region with larger established markets growing more slowly, and growth markets in Eastern Europe, Asia and Latin America growing in both volume and spending.

The U.S. market, on a net price basis, is forecasted to grow -1 to 2% CAGR over the next five years, down from 4% CAGR for the past five years. Prior editions estimated 0–3% CAGR on a net basis. The new forecast, including projected effects of the Inflation Reduction Act, reflects an outlook that has a 1% lower range. Provisions of the new legislation are expected to drive incremental volume by reducing cost exposure for patients and by driving lower prices through inflation penalties and price negotiations. Other aspects of the law will impact the interactions of stakeholders and the responsibility for cost shifts between government, payers, and pharmaceutical manufacturers, especially in the Medicare program. In addition to discounts and rebates, ongoing market dynamics around the use of medicines, the adoption of newer treatments, the impact of patent expiries, and new generic or biosimilar competition will all contribute to historically slow market growth in the U.S. for the next five years.

Spending in Europe is expected to increase by $59Bn through 2027 driven by growth from New brands and existing brands. The focus would be on generics and biosimilars, and escalating pressures on the value and negotiated prices of novel medicines.

The pandemic's impact on Asia-Pacific countries varies considerably, but a return to steady growth is projected after 2021. Japan medicine spending growth is projected at -1 to 2% through 2027 as robust brand growth is offset by a shift in annual price cuts and ongoing moves to generics. Spending growth in China is expected to slow, with positives driven by greater uptake and use of new original medicines and offset by pressures on off patent and generic pricing.

Growth in developed economies continues at relatively steady rates, with new products offset by patent expiries. Latin America, Eastern Europe and parts of Asia are expected to grow strongly from volume and adoption of novel medicines.

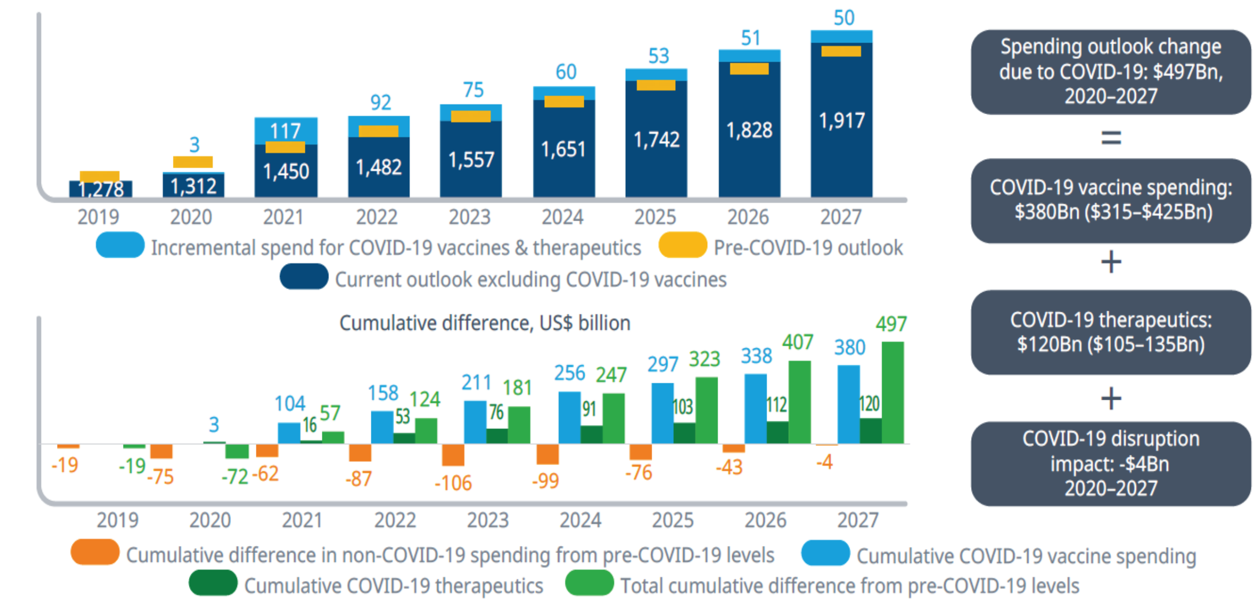
KEY THERAPY AREAS – BASEBUILDING FOR FUTURE GROWTH

The key growth area for medicines in the next five years is biotech, which will represent 35% of global spending and will include many of the areas of greatest activity for novel medicines. In addition, global savings from biosimilars will exceed $290Bn in cumulative spending through 2027, which is below estimates without new biosimilars, representing a significant mechanism to generate wider usage of these medicines as well as ease payer budget pressures on overall spending. Specialty medicines will represent 43% of global spending in 2027 and more than 55% of total spending in developed markets, continuing the shift from more traditional medicines underway for over a decade.

The two leading global therapy areas — oncology and immunology — are forecast to grow 13–16% and 3–6% CAGR, respectively, through 2027, reflecting diverging trends with one still driven by novel medicines and the other facing biosimilar competition. Oncology is projected to add 100 new treatments over five years, contributing to an increase in spending of $184Bn to a total of more than $370Bn in 2027 and facing limiting new losses of exclusivity. Treatments for auto-immune disorders are forecast to reach $177Bn globally by 2027, driven by steadily increasing numbers of treated patients and new products, and offset after 2023 due to biosimilars. Diabetes spending growth is slowing to low single digits in most developed markets and declining in some, especially net of rebates. New therapies contribute to growth of neurology markets, including greater use of novel migraine therapies, potential treatments for rare diseases, and the potential for therapies for Alzheimer's and Parkinson's.

The outlook for next generation biotherapeutics includes significantly uncertain clinical and commercial prospects for cell, gene, and RNA therapies, which will grow from current $8Bn spending in 2022 to $27Bn by 2027.

Global Spending to exceed Pre-pandemic outlook

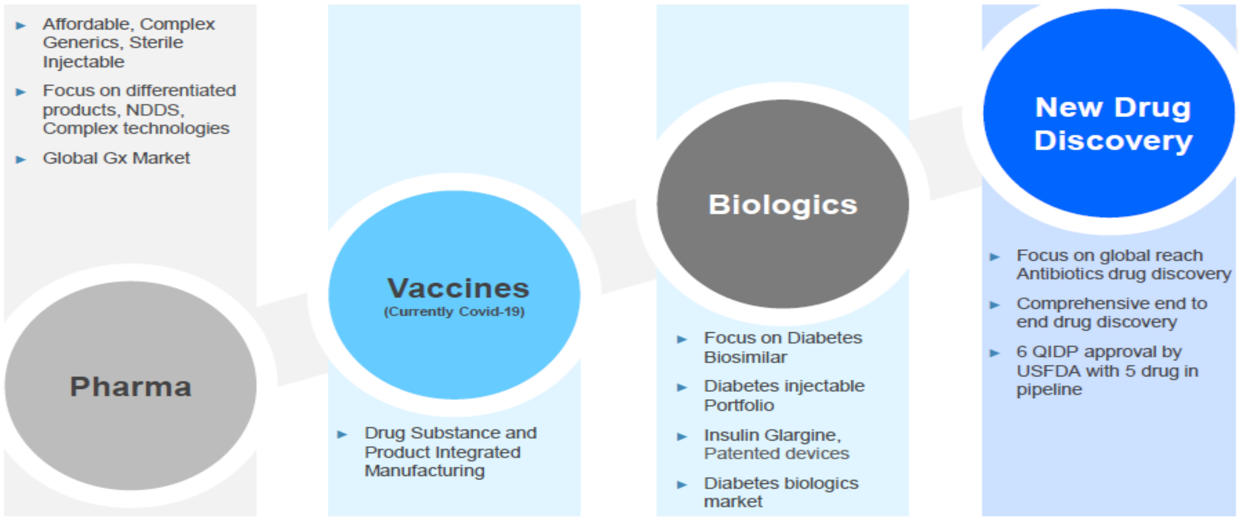


Source: IQVIA Market Prognosis, Sep 2022; IQVIA Institute, Nov 2022.

Company Performance

With the tightening of monetary condition across the globe and soaring inflation across economies, managing liquidity and smooth business operations has been the key priority during the year and your Company has effectively managed its liquidity position and continued with its sustainable business model without compromising on the overall long term vision of the organization.

Your Company started the year with focus on aligning operations with the long term goals and its vision statement. Primary objectives were to drive robust growth, de-leveraging the balance sheet to achieve operational efficiency, ensuring reasonable flow of working capital into the Business and gradually shifting away from acute to strengthen chronic presence in its portfolio mix, strengthening overall New Chemical Entity (NCE) and vaccines bucket. Amidst turbulent time your Company stood steady and delivered its key priorities thus paving the way for long term sustainability. The below image represents the business ecosystem in which your Company operates which can also be interpreted as the near to long term growth drivers for the Company.



Key developments that took place in your Company during the year have been summarized below:

1) **Wockhardt announces successful initiation of Global Phase 3 Clinical Study of its novel antibiotic WCK 5222:** Your Company announced the completion of first site initiation visit for the pivotal Phase 3 global Clinical Study of its novel antibiotic WCK 5222. WCK 5222 is a Super-drug which is entirely a new class of antibiotic known as "β-lactam ENHANCER". This is double-blind, multi-center, efficacy, safety, and tolerability study in the treatment of hospitalized adults with Complicated Urinary Tract Infections, including Acute Pyelonephritis. This Study will have 70 centres worldwide in 11 countries including US, Europe, India, China and Latin America. This global study is expected to be completed in 18 months.

2) **Restructuring of the US Business:** In view of the changed pharmaceutical market situation in the United States, the management had initiated various steps to restructure its USA business by closing down its manufacturing facility in Illinois, USA and undertake its business in USA through Contract manufacturing the products sold by it in US/North America by engaging USFDA approved manufacturing partners meeting the quality standards acceptable to the Company.

   In line with the above, the Company has now engaged multiple USFDA approved manufacturing partners, after thorough due diligence and inspection of their facilities, to manufacture various products of the Company for sale in US/ North America under the same brand and Wockhardt name.

   The Company believes, that this new arrangement is in the best interest of the Company as this will help the Company to avoid the manufacturing and quality management cost completely and allow the management to focus on penetrating and expansion of the market share of its products in US/ North America.

Amidst the challenges, your Company was focused on deployment of funds and setting its investments priorities to ensure maximum return. Secondly it dedicated focus on the expense side with cost containment measures. Significant efforts to identify new revenue streams and enhance profitability and cash flow also translated into new partnerships into international geographies.

Business Performance:

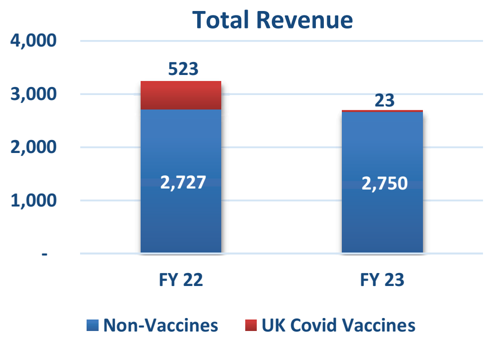
Domestic Business recorded De-growth during the year mainly on back of higher base in the previous years on account of COVID upside. Secondly stringent regulations for certain product categories continued to impact the smooth liquidation of inventory.

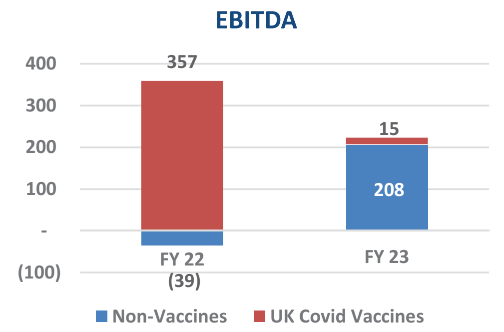
ROW business de-grew amidst significant global challenges and tight commercial negotiations with our partners on the pricing and credit terms front to enhance the business hygiene.

UK operations reflected de-growth mainly on account of negligible sales on UK COVID vaccines front.

The Company's International businesses continues to be under pressure because of aggressive channel consolidation and genericisation.

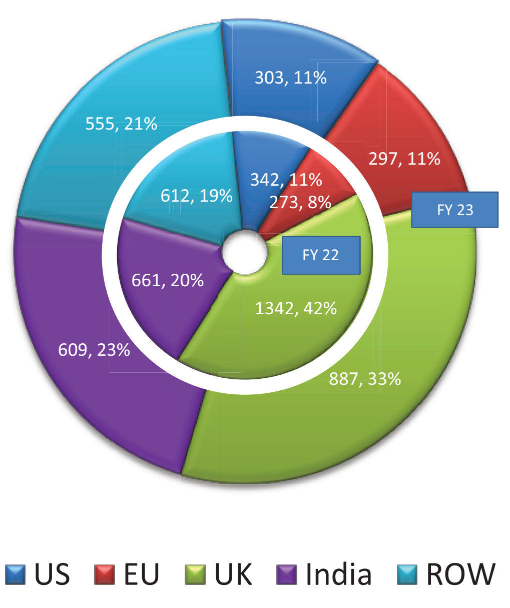
During the year, the Company's research & development expenses continued to grow keeping in view its strategic focus in Pharma, Biotechnology & NCE segment and was approx. 10% of consolidated revenue.





REVENUES

Total revenue during the year was ₹ 2,773 crore compared to ₹ 3,250 crore in the previous year with an annual decline of 14.68%. Excluding UK Covid Vaccines in PY, the annual decline stood at ~ 2%. Revenue from Operations during the year was ₹ 2,651 crore compared to ₹ 3,230 crore in the previous year.

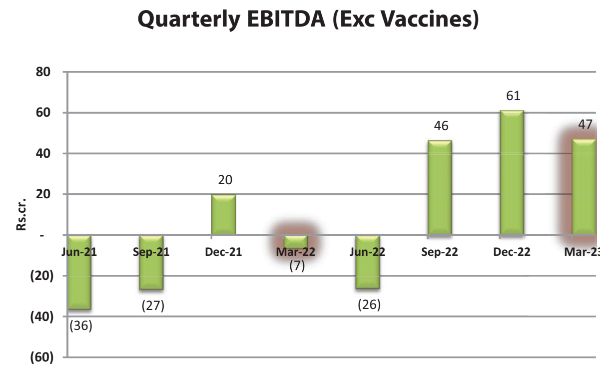


The revenue split of European Union Business contributed 11% (compared to 8% in FY 2022). UK operations contributed 33% (compared to 42% in FY 2022). The dip in contribution is mainly on account of significant contribution from UK Covid vaccine sales in PY. India and Rest of the World contributed 44% (compared to 39% in FY 2022).

PROFITABILITY

On Y-o-Y basis EBITDA excluding UK Covid Vaccines has been significantly higher vs previous year quarters despite the stagnancy in operations, thanks to the cost containment measures, rightful allocation of resources and partial impact of US business restructuring. Improved business mix accompanied with portfolio swings in favour of high margin segment continues to be of key focus for your organisation.

The Company's strategic focus on R&D initiatives that are futuristic in nature, continue to impact the EBITDA as they are being expensed.



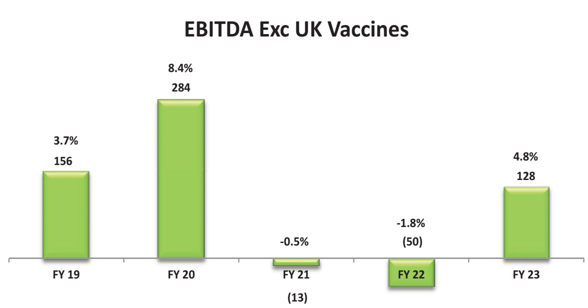
Particulars	**FY 22**	**FY 23**	**Change %**
Material Consumption	39.0%	41.1%	-2.1%
Personnel Cost	21.6%	21.9%	-0.3%
R&D	4.4%	5.2%	-0.8%
Other Expenditure	25.5%	26.5%	-1.0%
Interest	9.2%	11.2%	-2.0%
Depreciation	7.6%	9.3%	-1.7%
Exchange Gain	-0.3%	-3.0%	2.6%
Exceptional Item Profit/(Loss)	-5.6%	-10.9%	5.3%
Tax	-4.1%	-0.1%	-4.0%
Profits (Before NCI)	**-8.6%**	**-23.1%**	**-14.4%**
NCI	-1.1%	-2.3%	1.2%
Profits (After NCI)	**-7.5%**	**-20.8%**	**-13.2%**

Material consumption for FY 2023 stood at ~ 41% of total revenue compared to ~ 39% in FY 2022. This is mainly on account of significant UK vaccines business in FY 22.

The Company's emphasis on R&D continued during the year while adopting selective strategy for rationalizing R&D spends which is reflected in spends for FY 2023 at ~ 10% including Capital and Revenue expenditure vs 9.3% in PY. Personnel costs as % to total revenue was in line with PY. However in absolute terms there was de-growth of 16%.

Other expenses for FY 2023 was higher than the previous year at ~ 26%. Interest cost as % to total revenue stood at 11% vs 9% in PY.

Profits after Non-Controlling interest (NCI) declined from -8% in PY to -21% in FY 2023.

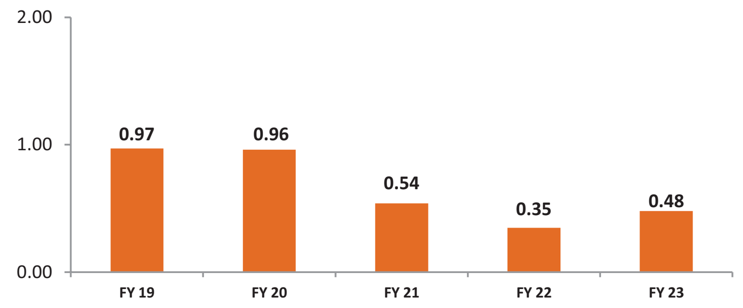


The EBITDA and corresponding margins (Exc UK Covid Vaccines) improved significantly. Outcome of cost rationalisation initiatives and revenue growth from high margin segments enabled to strike the appropriate balance while countering the stagnancy in revenue growth. Further, the full impact of US business restructuring is yet to be seen in the EBITDA numbers which would be significant.

Expanding market and therapeutic presence, realignment of portfolio mix to high margin segment, exploring new revenue generation streams and cost rationalisation measures remains the key focus in the near to mid-term.

DEBT AND LEVERAGE

The Net Debt to Equity ratio stood at 0.48 as on 31st March, 2023.



DEBT POSITION

INR in Crore

	FY 23	FY 22	Change	% Change
Secured	843	992	-149	-15 %
Unsecured	981	813	168	21 %
Total	**1,824**	**1,805**	**19**	**1%**

RESEARCH & DEVELOPMENT & NEW LAUNCHES: COMPANY'S STRATEGIC CORE

Globally across the pharma industry, the research and development pipeline remained flat in 2022 with 6,147 products in active development from Phase I to regulatory submission, with growth slowing to 2% over the last two years but maintaining an 8.3% CAGR from 2017–2022. Oncology remains the focus of the pipeline, comprising 38% or 2,331 products and growing at 10.5% CAGR over the last five years with a recent shift to large-population solid tumor development contributing to the growth. Neurology continues to represent 11% of the pipeline, with research focused on Alzheimer's and Parkinson's, and increasingly depression and other mental health conditions.

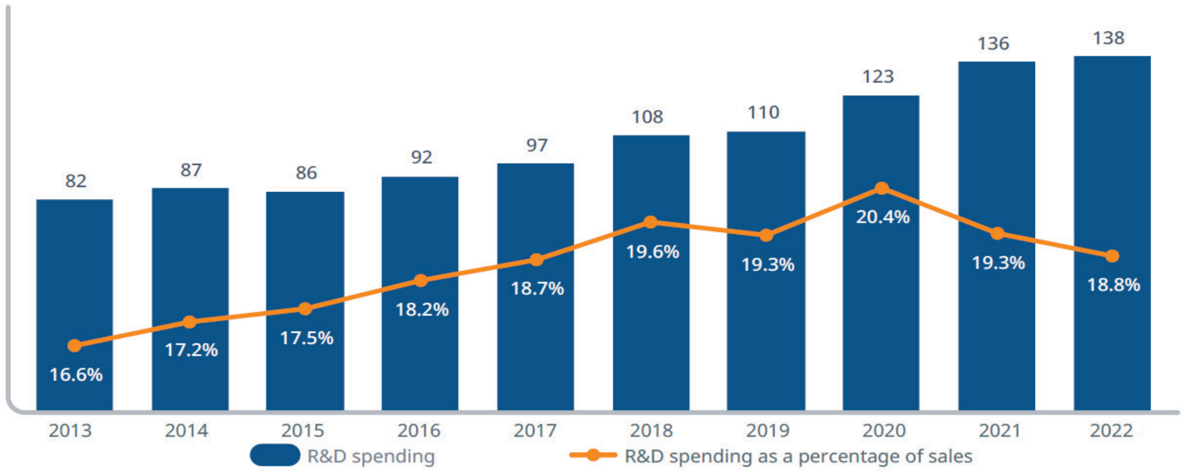
Rare disease focus continues with more than 1,800 molecules targeting one of the growing number of rare disorders for which there are often no or very limited therapeutics available. Half of these focus on oncology, and next-generation biotherapeutics account for at least a quarter of the rare-oncology products, with increased activity in CAR T and NK cell therapies, as well as gene editing and nucleic acid vaccines.

Sources of industry scientific innovation continue to evolve with more than 2,800 companies or organizations currently contributing to the R&D pipeline.

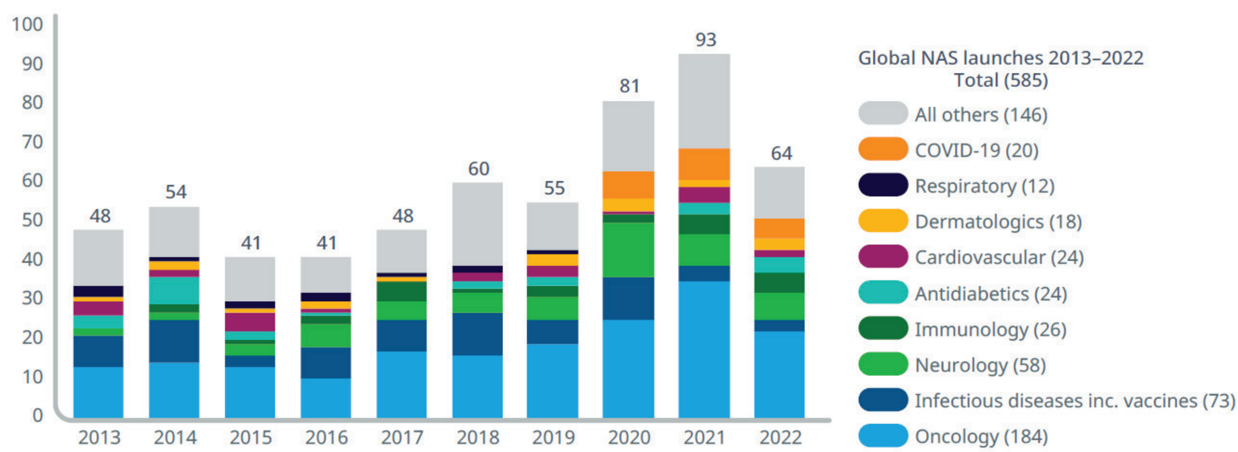
Clinical trial activity was remarkably resilient even as the pandemic stretched through 2022, with a 1% decline in non-COVID-19 trial starts over 2021 and an increase of 8% over 2019 activity. Most of the activity revolves around Oncology therapy while other therapeutic areas showed slight decrease.

A total of 64 novel active substances (NAS) launched globally in 2022, a decline from the more than 80 launched in each of the prior two years but representing a return to pre-COVID-19 levels. Declines were driven by fewer COVID-19 vaccines and therapeutics, fewer U.S. accelerated approvals, and fewer NAS launched only in China. A growing share of new launches in 2022 were first-inclass, reflecting the increasing availability of novel science for patients. 2022 also saw continued growth in number of specialty medicine launches. As new medicines have increasingly targeted areas of high unmet need, clinical trial designs have used single-arm and open label designs and have been used in the approval trials for 43% of launches over the past 5 years.

A total of 353 novel active substances have launched globally in the past 5 years, bringing the 20-year total to 903, with variations in timing of launch and access to these medicines across major geographies. Emerging biopharma companies originated 67% of all new drugs in 2022 and launched 69% of those, indicating more independence on the part of these companies in taking products from innovation to market.



Source: Company financial statements; IQVIA Institute, Jan 2023.



Source: IQVIA Institute, Jan 2023.

Your Company also believes that robust R&D spend is a key strategy to sustain in the long run and its continuous focus in complex research in Pharma, Biosimilars & NCEs for past couple of years have shown encouraging results particularly in the field of Break through Anti-infective space.

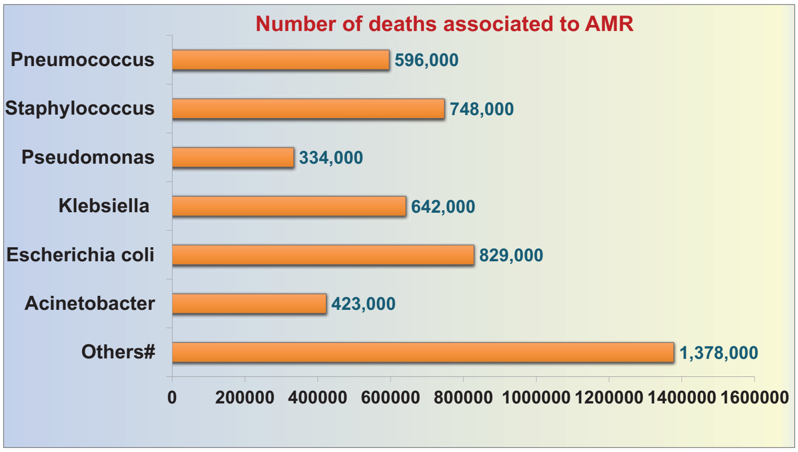
GLOBAL ANTIMICROBIAL RESISTANCE CRISIS

Antimicrobial Resistance (AMR) or the ability of the infecting bugs to resist antibiotics could negate many of the medical breakthroughs of the last century such as complex surgeries, cancer treatment, and organ transplant. Many of the previously curable bacterial infections have now become untreatable and resistant bugs causing these infections have spread throughout the world. The report "Antimicrobial resistance: Global report on surveillance" from World Health Organization (WHO) showed that AMR is prevalent globally without any borders and could inflict mortality and morbidity in all the age group of patients.[1] The current challenge of AMR could be judged from the fact that even common infections such as urinary tract infections and pneumonia pose severe therapeutic challenge in community and hospitals. Under such scenario, an an urgent and coordinated action is required as the world is possibly heading towards a post-antibiotic era.[2]

World has recently experienced the COVID-19 pandemic while silent pandemic of AMR has been on-going for several years. Infections resulting from AMR bacteria are expected to claim 10 million lives globally, per year by 2050 (O'Neill, 2014)[3], but however it seems, unfortunately, this milestone would be met much earlier as a recent LANCET publication has revealed that mortality attributable to AMR in a single year of 2019 was as high as 4.95 million.[4] Numerically, this is double that of mortality caused by COVID-19 in the same year.[5] The six leading pathogens for deaths associated AMR are *Escherichia coli*, followed by *Staphylococcus aureus*, *Klebsiella pneumoniae, Streptococcus pneumoniae, Acinetobacter baumannii,* and *Pseudomonas aeruginosa,* cumulatively accounting for 3·57 million deaths.[4,6] Infection wise, maximum deaths were caused by pneumonia followed by bloodstream infections. Among children, *S. pneumoniae* was the pathogen associated with the most deaths. Moreover, even during pandemic, most COVID-19 patients were treated with antibiotics[7,8] and significant proportions of mortality among COVID-19 patients was linked to bacterial infections.[9] The WHO declared that AMR is one of the top 10 global health threats and although often more silent than the COVID-19 pandemic, it can have equally devastating consequences.[10] By the year 2050, infections caused by AMR bacteria are projected to cause 2 million deaths in India.[11] The CDC in its 2019 report on Antibiotic Resistance Threats in the United States estimates that 2.8 million antibiotic-resistant infections occur each year in US alone.[12] Moreover, a special CDC report revealed the effect of COVID-19 on AMR which states that both hospital-onset AMR infections and associated deaths increased at least 15% during the first year of the pandemic.[13]

According to WHO, sepsis which could be a sequel to severe resistant infection acquired in hospitals affects 49 million people yearly and was linked to approximately 11 million deaths worldwide—roughly 20% of annual global deaths.[14] Sepsis occurs when the body overreacts to an infection, setting off a chain of events that leads to tissue damage and organ failure. It is being considered as "the final common pathway to death" for severe infectious diseases. Around half of patients with sepsis in intensive care units acquire the infection in the hospital. Due to sepsis, about 42% patients die in intensive care units and 27% die in hospitals.[15] This calls for discovery of novel antibiotics which could tackle the on-going AMR problem.

Number of death due to AMR in 2019



Others include: Citrobacter, Enterobacter, Morganella, Proteus, Neisseria, Salmonella, Heamophilus, Enetrococci

Burden of resistance to antibacterial drugs

The overall health and economic burden resulting from acquired AMR cannot be fully assessed with the presently available data, however some estimates of the economic effects of AMR have been attempted, and the findings are disturbing. In a WHO report on *Antimicrobial Resistance: Global Report on Surveillance* (2014), the yearly AMR cost to the US health system alone has been estimated at US $21 to $34 billion dollars, accompanied by more than 8 million additional days in hospital.[1] Since AMR has effects far beyond the health sector, it was projected, several years ago, to cause a fall in real gross domestic product (GDP) of 0.4% to 1.6%, which translates into many billions of today's dollars globally.[1] The O'Neill Review (*The Review on Antimicrobial Resistance, December 2014*) estimated that cost up to US $100 trillion in cumulative loss of economic output.[3]

Reference:

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13. CDC, Special report. COVID-19 impact on AMR in the United States, 2022
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OPPORTUNITIES

Global markets continue to offer opportunities because of transition in the form of lifestyle shift & related diseases in these countries. Because of the existing presence of operations in these economies your Company is well poised to capitalise and tap these growth opportunities. Your Company is striving in all aspects to establish its brand and ramp up its presence and operations in larger GCC countries, Latam Countries and Asia.

Global crisis of antibiotics availability continues to pose threat and the gap in Anti Infective segment has widened as relatively few drugs have been discovered in the last decade. However your Company's relentless focus for almost two decades in the Anti-Infective space has started showing recognition with consecutive approvals for QIDP in quick successions as well as approval from US FDA by granting abridged clinical trial for Phase III for its' Superdrug antibiotic WCK 5222. This was based on the evaluation by US FDA of its preclinical and clinical data of Phase I establishing safety and clinical scope of efficacy for the drug. Notably your Company has 6 molecules (NCE) as on date which are at various stages of development.

The pandemic has gone long way to disrupt the global supply chain with too many countries focussed on single location for sourcing of supplies. As a result of the disruption in supplies, economies have realised the importance of localisation and decentralisation. This has increased considerable opportunities for countries with dominant API manufacturing capabilities as well as robust CMO infrastructure. Importantly such initiatives are being backed by government incentive schemes and investment back up.

The rising costs and regulatory pressure in developed markets are forcing many global pharmaceutical companies to reduce their internal capacities in research and development (R&D), and manufacturing, and turn to contract manufacturing and research services (CRAMS), and outsourcing of research and clinical trials to developing countries. These strategies help multinational companies reduce costs, increase development capacity, and focus on their core profit makings activities, such as drug discoveries and marketing, rather than on manufacturing. India, with a large patient population and genetic pool, is fast emerging as a preferred destination for such multinationals seeking efficiencies of cost and time. The country's CRAM industry offers a significant cost-quality proposition, with potential savings of about 30-40 percent compared to western markets such as the US and Europe.

Technology trends are driving a shift towards patient-centric healthcare, as evidenced by wearable biometric devices and telemedicine. This trend is resulting in more informed patients who are likely to take a more active role in any treatment plan their doctor may prescribe. Patient-centric care can provide challenges and rewards for the pharmaceutical industry. In the near future, the direct consumer may become the pharmaceutical Company's most strategic partner. The rise of consumerism provides an interesting dynamic for competition in this industry. The pharmaceutical industry will be driven by three levels of integration: products and services as well as data and technology. These three aspects will have a positive impact on the patients' experience, as they will allow to adapt the medicines and treatments to each patient. This will change the approach to Clinical R&D as it will be based on real time accurate information the result of which would not just be medicine but more than that.

Disruptive technologies and emerging trends such as robotics, artificial intelligence, 3D printing, precision medicine or patient design will impact the manufacturing and distribution of pharmaceuticals. In order to prepare successfully for a better future of healthcare, the pharma industry has to embrace new technologies and put a greater focus on prevention and digital health.

RISK & CONCERNS – OVERALL CHALLENGES – WAY AHEAD

Elevated inflation is expected to persist for longer than envisioned, with ongoing supply chain disruptions and high energy prices continuing in 2022. Assuming inflation expectations stay well anchored, inflation should gradually decrease as supply-demand imbalances wane in 2022 and monetary policy in major economies responds. Risks to the global baseline are tilted to the downside. Supply chain disruptions, energy price volatility, and localized wage pressures mean uncertainty around inflation and policy paths is high. As advanced economies lift policy rates, risks to financial stability and emerging market and developing economies' capital flows, currencies, and fiscal positions—especially with debt levels having increased significantly in the past two years—may emerge. Other global risks may crystallize as geopolitical tensions remain high, and the ongoing climate emergency means that the probability of major natural disasters remains elevated.

The emphasis on an effective global health strategy is more salient than ever. Monetary policy in many countries will need to continue on a tightening path to curb inflation pressures, while fiscal policy—operating with more limited space than earlier in the pandemic—will need to prioritize health and social spending while focusing support on the worst affected. In this context, international cooperation will be essential to preserve access to liquidity and expedite orderly debt restructurings where needed. Investing in climate policies remains imperative to reduce the risk of catastrophic climate change.

Even before the onset of this pandemic, the global economy was confronting turbulence on account of disruptions in trade flows and attenuated growth. The situation is no different as on today. The shape and speed of the recovery in the large economies will be key factors determining the nature and traction of global economic recovery.

While your Company has been focusing in India and the rest of world on securing the population from health hazards and on providing relief, especially to the poor, we also need to think long-term - to secure the health of the economy, the viability of businesses, and the livelihoods of people. Apart from providing robust safety nets for the vulnerable, ensuring job continuity and job creation is the key. And there is an urgent need to mobilize resources to stimulate the economies.

It would not be wrong to mention that customer expectations are rising and scientific productivity is lackluster and stagnant which poses bigger challenge as to how the mismatch would be addressed. There is dire need of developing and researching new medicines that can cure or prevent incurable complex diseases of the future. The ongoing pandemic is a perfect example of how unpreparedness for the worst could be disastrous in today,s world.

In the back drop of all the challenges and ongoing issues, there are seven ways in which the business landscape will shift, not only in India, but the world around. Leveraging these will certainly help navigate the economically and socially viable path to the next normal:

1) Continuous Innovations and think beyond the unexpected.
2) Shift towards localization
3) Push of Digital wave
4) Cash being new king for Businesses.
5) Shift towards variable cost models.
6) Supply Chain resilience
7) Building agility

Apart from the above, evolving cGMP regulations have become stringent and the industry is striving unanimously to create world class capabilities to adhere to the mandates. Corrective measures for US FDA clearance are still in process with significant automation, technology upgrades and rollout of best practices at the manufacturing facilities. Your Company is monitoring the situation closely and is working with best of class consultants for resolution. Risk of regulatory quality compliance shall continue to remain critical for your Company in future.

Pricing pressures in India continue to impact several organizations with latest NPPA circulars to include many critical drugs under the scope of price fixation / reduction. This has impacted the earnings of many Indian companies including yours. Amidst such challenges the Company has put remediation measures in place while ensuring growth and strengthening of its other business which consists of new product portfolio, new revenue streams and better brand management.

Your Company is a global player and is not insulated against such external risks despite wide range of measures being taken. This has also to some extent impacted the earnings w.r.t. to countries where your Company operates in the home currency of these nations or where it is exposed to international transactions. This inherent risk will continue to pose challenges to a Company like yours that has a significant share of revenues from cross border operations.

New Drug Discovery Programme of Wockhardt

Your Company continues to focus on New Drug Discovery Program to bring novel antibiotics to market for catering to unmet needs in the area of resistant Gram positive and Gram negative infections where there is dearth of medicine across the world.

With the global rise in the prevalence of resistant strains, and the emergence of newer resistance mechanisms as well as new pathogenic organisms, where the existing antibiotics are having little impact, the overall infectious disease scenario is highly concerning. This is further buttressed by a recent publication in reputed journal the Lancet which estimated the annual global mortality touching to 4.95 million due to antibiotic resistant infections. The Company with its array of drugs under development in this space aims to counter these diseases in both regulated and unregulated markets.

Current status of QIDP products: Spurring Clinical development of NCEs in different territories:

WCK 5222: Phase 3 study involving patients with complicated urinary tract infection started in October 2022. Currently 15 clinical sites are recruiting patients for the Phase 3 study. As of now, more than 80 patients have been enrolled. All the patients have completed treatment with study drugs WCK 5222 or comparator drug meropenem.

WCK 4282: The start of Phase 3 study involving cUTI patients is deferred for now in view of need to prioritize WCK 5222 clinical study.

WCK 4873: The Phase 3 Study recommenced in February 2022 and since then it has progressed well. As of March 2023 about 440 patients have been recruited in the study. The study target of 500 patients would be attained in next three months.

WCK 771 & WCK 2349: Since their launch, both Emrok & Emrok O have been gaining wider clinical acceptability by virtue of their ability to address unmet need in the management of serious Gram positive infections with about 45,000 patients already treated with these novel drugs.

WCK 6777: World's most prestigious and the largest bio-medical research organization, the National Institutes of Health (NIH, USA) has recognized the clinical significance of WCK 6777 and accordingly selected for the conduct of Phase 1 study. The study will be undertaken at NIH's Phase 1 clinical trial unit and is expected to start in June/July 2023.

Your Company has strong focus in developing intellectual property and filed 11 patents during the year under review. During the year 7 patents were granted of which 5 patents were for NCEs. As on 31st March, 2023, combined pool of Company's patent has reached 3,239 filings and 810 grants.

Biotechnology Research of the Company

Development of Biosimilars and Biobetters is our Biotech R&D team's primary focus area. Biotechnology is viewed by global experts as the pharmaceutical technology of the future, and we have a very strong commitment to this field. Our highly accomplished multidisciplinary team of committed biotechnologists, biochemists, biophysicists, biochemical and chemical engineers as well as protein chemists is poised to develop biological drugs to address unmet clinical needs.

Biotechnology R&D team of the Company has succeeded in developing and commercializing Recombinant Hepatitis-B Vaccine (Biovac-B), Recombinant Human Erythropoietin (WEPOX), Recombinant Human Insulin (WOSULIN), Recombinant Insulin Glargine (GLARITUS), which have all been well received in the market.

Your Company has a robust pipeline of recombinant therapeutic proteins for major healthcare needs. The overall focus is development and commercialization of antidiabetic Biosimilar products.

COMPANY OUTLOOK

The Company's long term outlook continues to be promising given the following:

a. Overall growth in the global pharmaceutical industry
b. Continued focus on R&D in regards to its biotechnology and NCE programs.
c. Company's global reach in regulated market and continued efforts to enhance its reach in emerging markets.
d. Increasing pipeline of niche & complex technology generic products.
e. Expanding Revenue streams by adding New Partnerships and tie-ups to manufacture Vaccines.

SEGMENT-WISE PERFORMANCE

The Company is exclusively into pharmaceutical business segment.

DETAILS OF RATIOS

a)	Interest coverage ratio	:	1.62 to 0.59	- Adverse
b)	Operating profit margin	:	9% to 5%	- Adverse
c)	Net profit margin	:	(9%) to (23%)	- Adverse
d)	Return on Net worth	:	(7%) to (17%)	- Adverse
e)	Debtors turnover ratio	:	3.52 to 3.09	- Adverse
f)	Inventory Turnover ratio	:	1.61 to 1.55	- Adverse
g)	Current Ratio	:	0.81 to 0.64	- Adverse

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has internal control procedures commensurate with its size and nature of the business. These business procedures strive to optimum use and protection of the resources and compliance to the policies and procedures. The internal control systems provide for well-defined policies, guidelines and authorizations and approval procedures. Internal audits are performed to test the adequacy and effectiveness of the internal controls laid down by management and to suggest improvements.

Internal Financial Controls laid out by the Company in accordance with the requirement of the Companies Act, 2013, were tested by Management using a self-assessment Tool implemented with the assistance from M/s Ernst and Young.

The Company has adopted a co-sourced model for internal audit. The internal audit team is assisted by M/s. Ernst & Young who carried out internal audit reviews in accordance with the approved internal audit plan. Internal audit team reviews the status of implementation of internal audit recommendations. Summary of Critical observations, if any, and recommendations under implementation are reported at quarterly Audit Committee meetings.

RISK MANAGEMENT FRAMEWORK

During the year, your Company has transitioned to a "Risk Enabled Performance Management" with the help of Ernst & Young with an overall risk management practices across the organization integrated with business planning. The overall objective of the framework was:

- Assess the impact of changes that have occurred in the business landscape over the past one year including key events, revisit identified risks impacting the Company, include emerging risks and remove redundant ones.
- Assess importance and implication of applicable risks and identify key risks requiring attention and monitoring by leadership team. Strengthen the risk culture of the organization by enhancing awareness and shared understanding of the purpose of risk management across Wockhardt.
- Review the risk management structure, risk policy and framework for periodic review of risk events and mitigation plans.
- Satisfactorily meet compliance obligations relating to risk management that are applicable to the Company.

HUMAN RESOURCES

Wockhardt's talent base, as on March 31st, 2023 stands at ~ 2600.

Wockhardt recognizes that Associates are the most valuable assets and always encourage them to meet business requirements while meeting their career aspirations. The Human Resource division mainly focus on supporting the business in achieving sustainable and responsible growth by building the right competencies and capabilities in the organization. It continues to emphasize on progressive Human Relations policies and building a high-performance ethos with a progressive mind-set where Associates are Empowered, Engaged, Efficient and Productive.

At Wockhardt, 'Life Wins' is a simple yet profound theme that defines our efforts, reflects our goals, highlights our aspirations and characterises our business.

Our 'One Wockhardt' motto creates a unique value driven, high performance and business driven work culture. At Wockhardt, HR plays a central role in implementing the organisation's vision and strategy by aligning HR to the business. Better HR policies provide more innovative and forward looking HR focus and initiatives. Promoting diversity, learning environment and work-life balance establish a credible and integrated employee performance goal setting.

Our leadership values of Ownership, Respect, Trust, Integrity are the fundamental principles on which we have built our business. We truly believe that the progress of our associates and business are interlinked and thus created a work culture that offers a unique combination of our core values and functional proficiency.

At Wockhardt, we believe that associates are the key players in business success and sustainable growth. In order to provide meaningful opportunities to our associates for learning and growth, we have strengthened our internal talent pool by launching various career programs for our field associates, 'Emerge', 'Surge' and 'Upsurge' which provides career visibility to development to our sales force.

Using psychometric tests for senior level hiring has helped Company's understanding of employees, potential strengths and particular characteristics.

The Company's "Whistle Blower Policy" encourages the Whistle Blower to report genuine concerns or grievances of illegal, unethical or inappropriate events (behaviour or practices) that affect Company's interest / image. It also provides adequate safeguard to the Whistle Blower against victimization. The policy is available on the Company's website at www.wockhardt.com.

INDEPENDENT AUDITOR'S REPORT

To the Members of Wockhardt Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Wockhardt Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

See Note 3(j) of accounting policy and Note 26 to consolidated financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Group recognises revenue from sale of goods when control over the goods is transferred to the customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sale contracts entered into with customers. Revenue is a key performance indicator of the Group and there is risk of overstatement of revenue due to fraud resulting from pressure to achieve targets, earning expectations or incentive schemes linked to performance. Group's assessment of accrual towards returns, service level penalties, chargeback, discount and allowances require estimation and judgement and change in these estimates can have a significant financial impact. Given the risk of overstatement of revenue due to fraud, estimates and judgement required to assess various accruals, this is a key audit matter.	Our audit procedures included the following: • We have assessed the Group's accounting policies relating to revenue recognition by comparing with applicable accounting standard. • We have evaluated the design, implementation and operating effectiveness of the Group's internal control over revenue recognition. • We have examined the samples, selected using statistical sampling, of revenue recorded during the year with the underlying documentation. • We have performed cut off procedures by selecting samples, using statistical sampling, of revenue recorded as at the period end. • We have verified Group's assessment of accruals of chargebacks, rebates, discounts, returns, service level penalties and allowances in line with the past practices to identify bias. • We have examined the manual journals posted to revenue during the year to identify unusual or irregular items. • We have assessed the adequacy of the disclosures made in respect of revenue from sale of goods.

Assessment of recoverability of carrying value of certain Property, Plant and Equipment and Capital Work in progress

See Note 3(d) and 3(q) of accounting policy and Note 4,39 and 45 to consolidated financial statements

The Key Audit Matter	How the matter was addressed in our audit
Certain property, plant and equipment of the Group are affected by lower capacity utilization. Further, the Group has made investments in certain projects which has been deferred. These are lying in capital work in progress. The Group's investment in these facilities was made considering market feasibility and potential of existing / future products. As at 31 March 2023, carrying value of such Property, Plant and Equipment and Capital Work in Progress amounting to ₹ 417 crores and ₹ 48 crores respectively. Further as on 31 March 2023 company has assets held for sale having a carrying value of ₹ 294 crores. Given the significance of carrying value and judgement involved in assessing the recoverability of such facilities, this is considered to be a key audit matter.	Our audit procedures included the following: • We have assessed the Group's accounting policies relating to impairment by comparing with applicable accounting standard. • We have verified the reports of physical verification of property, plant and equipment and capital work in progress by the Company. • We have assessed the capabilities and objectivity of the experts (internal and external) used by the Group in the process of verification of assets, assessing the usability of assets and determining recoverable amounts, where required. • We have evaluated the basis applied by the Group in determining cash generating unit for impairment testing purpose. • We have challenged the significant assumptions considered by the Group while making impairment assessment with respect to revenue forecast, margin and discount rate. • We have involved our valuation specialists to assess the valuation methodologies applied by the Group to determine the recoverable amount for certain assets.

Recoverability of carrying value of Intangible assets under development

See Note 3(b) of accounting policy and Note 6 to consolidated financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Group has intangible assets under development amounting to ₹ 1,125 crores as at 31 March 2023. The carrying value of such intangible under development is tested for recoverability, based on the estimates of future cash flows, market conditions, etc. Changes in these assumptions could lead to an impairment to the carrying value of these intangible under development. Given the significance of the amount involved and the estimates and judgement involved in assessment and their recoverability, this is considered to be a key audit matter.	Our audit procedures included the following: • We have evaluated the criteria for capitalisation of development expenditure with those set out in the applicable accounting standard. • We have inquired the progress made on NCE development with the key managerial personnel. • We have inspected the correspondences with regulatory authorities, third parties, scientific documentation and the market release made by the Company. • We have evaluated the Group's assessment of estimated future cash flows relating to the NCE project and their recoverability plans. • We have assessed the capabilities and objectivity of the external expert used by the Company in determining the fair value of the NCE under development. • We have tested, on a sample basis, the project related expenditure with underlying documents. • We have involved our valuation specialists to assess the valuation methodologies applied by the Company to determine the recoverable amount for the NCE.

Assessment of recoverability of the carrying value of Goodwill

See Note 3(g) of accounting policy and Note 5 to consolidated financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Group has Goodwill amounting to ₹ 945 crores as at 31 March 2023 in respect of acquired businesses. The carrying value of Goodwill will be recovered through future cash flows. There is inherent risk of impairment in case future cash flows do not meet the Group's expectations. Given the significance of carrying value, inherent complexity of accounting requirements and significant judgement required in determining the assumptions to estimate recoverable amount, this is considered to be a key audit matter.	Our audit procedures included the following: • We have assessed the Group's accounting policies relating to impairment of Goodwill by comparing with applicable accounting standards. • We have evaluated the design, implementation and operating effectiveness of the Group's internal control over impairment assessment of goodwill. • We have challenged the significant assumptions considered by the Group while making impairment assessment with respect to revenue forecast, future cash flows, margins, terminal growth and discount rates. • We have involved our valuation specialists to assess the valuation methodologies applied by the Group. • We have performed a sensitivity analysis of the key assumption applied to determine the recoverable value and considered the resulting impact on the impairment testing. • We have evaluated the adequacy of disclosures made in the consolidated financial statements with respect to key assumptions and judgements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 15 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 6,655 crores as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 2,427 crores and net cash outflows (before consolidation adjustments) amounting to ₹ 159 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above mattes with respect to our reliance on the work done and the reports of the other auditors.

(b) The financial information of 12 subsidiaries, whose financial information reflect total assets (before consolidation adjustments) of ₹ 108 crores as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 0 crores and net cash outflows (before consolidation adjustments) amounting to ₹ 2 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to financial information certified by the Management.

(c) The consolidated financial statements as at and for the year ended 31 March 2023 have been translated into United States dollars solely for the convenience of the reader. We have audited the translation, and, in our opinion, such financial statements expressed in Indian rupee have been translated into United States dollars on the basis set forth in Note 2(c) to the consolidated financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 01 April 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 46 to the consolidated financial statements.

b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2023.

d) (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 45(c)(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 45(c)(ii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e) The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

f) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

(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 and based on the report of the statutory auditor of such subsidiary company incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399

Place : Mumbai
Date : 26 May 2023
ICAI UDIN: 23112399BGXWIS6324

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF WOCKHARDT LIMITED FOR THE YEAR ENDED 31 MARCH 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Sr. No.	Name of the entities	CIN	Holding Company	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Wockhardt Limited	L24230MH1999PLC120720	Holding Company	Clause i(c), ix(d) and xvii

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399

Place : Mumbai
Date : 26 May 2023
ICAI UDIN: 23112399BGXWIS6324

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF WOCKHARDT LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Wockhardt Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective 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 respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to 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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 1 subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399

Place : Mumbai
Date : 26 May 2023
ICAI UDIN: 23112399BGXWIS6324

CONSOLIDATED FINANCIAL STATEMENTS - BALANCE SHEET

As at March 31, 2023

	Notes	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	4	**1,558**	**190**	1,908	251
Right of use assets	4	**464**	**56**	563	74
Capital work-in-progress	4	**414**	**50**	389	51
Goodwill	5	**945**	**115**	891	118
Other Intangible Assets	6	**75**	**9**	100	13
Intangible assets under Development	6	**1,125**	**137**	953	126
Financial Assets					
Investments*	7	**0**	**–**	0	–
* ₹ 0.45 crore (Previous year ₹ 0.45 crore)					
Other non-current financial assets	8	**64**	**8**	62	8
Non-current tax assets (net)		**115**	**14**	112	15
Deferred tax assets (net)	9	**608**	**74**	573	76
Other non-current assets	10	**107**	**13**	103	13
		5,475	**666**	5,654	745
CURRENT ASSETS					
Inventories	11	**658**	**80**	769	101
Financial Assets					
Trade receivables	12	**797**	**97**	918	121
Cash and cash equivalents	13.1	**90**	**11**	370	49
Bank balances (other than cash and cash equivalents)	13.2	**34**	**4**	36	5
Other current financial assets	14	**26**	**3**	12	2
Other current assets	15	**309**	**38**	340	45
		1,914	**233**	2,445	323
Asset classified as held for sale	39	**294**	**36**	144	19
Total Assets		**7,683**	**935**	8,243	1,087
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	16	**72**	**9**	72	9
Other Equity		**3,282**	**399**	3,777	498
Equity attributable to the share holders of the Company		**3,354**	**408**	3,849	507
Non-controlling interests	41	**308**	**37**	353	47
Total Equity		**3,662**	**445**	4,202	554
LIABILITIES					
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	17	**224**	**27**	355	46
Lease Liabilities	35	**226**	**27**	267	35
Other non-current financial liabilities	18	**–**	**–**	152	20
Other non-current liabilities	19	**78**	**9**	–	–
Provisions	20	**26**	**3**	32	4
Deferred tax liabilities (net)	9	**32**	**4**	28	4
		586	**71**	834	109
CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	21	**1,663**	**202**	1,507	198
Lease Liabilities	35	**71**	**9**	69	9
Trade payables	22	**867**	**105**	921	123
Other current financial liabilities	23	**642**	**78**	554	74
Other current liabilities	24	**126**	**15**	101	13
Provisions	25	**44**	**5**	37	5
Current tax liabilities (net)		**22**	**3**	18	2
		3,435	**418**	3,207	424
Total Liabilities		**4,021**	**489**	4,041	533
Total Equity and Liabilities		**7,683**	**935**	8,243	1,087
Significant Accounting Policies	3				
The accompanying notes form an integral part of these Financial Statements.					

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

Deepak Madnani
Chief Financial Officer

Debashis Dey
Company Secretary

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

Huzaifa Khorakiwala
Executive Director
DIN: 02191870

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Zahabiya Khorakiwala
Non Executive Director
DIN: 00102689

Aman Mehta
DIN: 00009364

Sanjaya Baru
DIN: 05344208

Vinesh Kumar Jairath
DIN: 00391684

Akhilesh Gupta
DIN: 00359325

Directors

CONSOLIDATED FINANCIAL STATEMENTS - STATEMENT OF PROFIT AND LOSS

For the Year Ended March 31, 2023

		Notes	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
	Income					
I	Revenue from operations	26	**2,651**	**322**	3,230	426
II	Other income	27	**122**	**15**	20	2
III	**Total Income (I + II)**		**2,773**	**337**	3,250	428
IV	**Expenses**					
	Cost of materials consumed		**518**	**63**	612	81
	Purchases of Stock-in-Trade		**509**	**62**	568	75
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	**84**	**10**	87	12
	Employee benefits expense	29	**637**	**77**	749	99
	Finance costs	30	**302**	**37**	299	39
	Depreciation and amortisation expense	4 & 6	**251**	**31**	247	33
	Other expenses	31	**802**	**98**	916	121
	Total Expenses		**3,103**	**377**	3,478	460
V	**Loss before exceptional items and tax (III- IV)**		**(330)**	**(40)**	(228)	(32)
VI	**Exceptional items- (charge)**	39	**(294)**	**(36)**	(183)	(24)
VII	**Loss after exceptional items before tax (V + VI)**		**(624)**	**(76)**	(411)	(56)
VIII	**Tax expense**	9				
	Current tax - Charge		**12**	**1**	33	4
	Tax pertaining to earlier years		**–**	**–**	5	1
	Deferred tax - credit (Net)		**(15)**	**(2)**	(170)	(22)
IX	**Net Loss after tax for the year (VII - VIII)**		**(621)**	**(76)**	(279)	(39)
	Attributable to:					
	Equity holders of the Company		**(559)**	**(68)**	(244)	(33)
	Non-controlling interests		**(62)**	**(8)**	(35)	(6)
			(621)	**(76)**	(279)	(39)
X	**Other Comprehensive Income**					
	(i) Items that will not be reclassified to profit or loss - (charge)/ credit (Consisting of remeasurement of net defined benefit (liability)/ asset)		**(12)**	**(1)**	(24)	(3)
	(ii) Income tax relating to items that will not be reclassified to profit or loss- (charge)/ credit		**3**	**–**	5	1
	(iii) Items that will be reclassified to profit or loss (Consisting of exchange differences on translating the financial statements of a foreign operation)		**87**	**11**	(8)	(1)
	Other Comprehensive Income (Net of tax)		**78**	**9**	(27)	(3)
XI	**Total Comprehensive Income (IX+X) (Comprising Profit/ (Loss) and other comprehensive income for the year)**		**(543)**	**(66)**	(306)	(42)
	Total comprehensive income attributable to:					
	Equity holders of the Company		**(498)**	**(61)**	(276)	(37)
	Non-controlling interests		**(45)**	**(5)**	(30)	(5)
			(543)	**(66)**	(306)	(42)
	Earnings per equity share of face value of ₹ 5 each	32				
	Earnings per equity share					
	Basic earnings per share ₹/ USD		**(38.79)**	**(0.47)**	(20.24)	(0.27)
	Diluted earnings per share ₹/ USD		**(38.79)**	**(0.47)**	(20.24)	(0.27)
	Significant accounting policies The accompanying notes form an integral part of these Financial Statements.	3				

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

Deepak Madnani
Chief Financial Officer

Debashis Dey
Company Secretary

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
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DIN: 00009364

Sanjaya Baru
DIN: 05344208

Vinesh Kumar Jairath
DIN: 00391684

Akhilesh Gupta
DIN: 00359325

Directors

CONSOLIDATED FINANCIAL STATEMENTS - STATEMENT OF CHANGES IN EQUITY

For the Year Ended March 31, 2023

A. Equity Share Capital

As at April 01, 2021 ₹ in crore	Changes in equity share capital during the year ₹ in crore	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))	Changes in equity share capital during the year* ₹ in crore	**As at March 31, 2023 ₹ in crore**	**As at March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))**
55	17	72	8	0	**72**	**9**

* ₹ 0.01 crore

B. Other equity

	Reserves and Surplus								Other comprehensive income	Total Equity attributable to the share holders of the Company	Non-controlling interests	Total
	Capital Reserves		Capital Redemption Reserve (CRR)	Securities Premium	Share Options Outstanding Account	General Reserves	Other Reserves (FCMITDA)	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation			
	Capital Reserves (other than capital contribution)	Capital Contribution										
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Balance as on April 01, 2021	**173**	**66**	**819**	**75**	**28**	**264**	**(6)**	**1,529**	**373**	**3,321**	**383**	**3,704**
Loss for the year	–	–	–	–	–	–	–	(244)	–	(244)	(35)	(279)
Other comprehensive income / (loss) for the year	–	–	–	–	–	–	–	(17)	(15)	(32)	5	(27)
Total comprehensive Income	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(261)**	**(15)**	**(276)**	**(30)**	**(306)**
Net additions/(deductions) on ESOS options (Also Refer note 38)	–	–	–	(5)	(10)	8	–	8	–	1	–	1
Additions in Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	(3)	–	–	(3)	–	(3)
Amortisation from Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	8	–	–	8	–	8
Right Issue of Equity Shares (Refer note 16)	–	–	–	731	–	–	–	–	–	731	–	731
Right Issue expenses (Refer note 16)	–	–	–	(5)	–	–	–	–	–	(5)	–	(5)
Balance as on March 31, 2022	**173**	**66**	**819**	**796**	**18**	**272**	**(1)**	**1,276**	**358**	**3,777**	**353**	**4,130**
Loss for the year	–	–	–	–	–	–	–	(559)	–	(559)	(62)	(621)
Other comprehensive income / (loss) for the year	–	–	–	–	–	–	–	(7)	68	61	17	78
Total comprehensive Income	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(566)**	**68**	**(498)**	**(45)**	**(543)**
Net additions/(deductions) on ESOS options (Also Refer note 38)	–	–	–	3	(2)	1	–	–	–	2	–	2
Additions in Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	(1)	–	–	(1)	–	(1)
Amortisation from Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	2	–	–	2	–	2
Balance as on March 31, 2023	**173**	**66**	**819**	**799**	**16**	**273**	**–**	**710**	**426**	**3,282**	**308**	**3,590**
Balance as on March 31, 2023 (USD in million) Supplementary information- convenience translation (See Note 2(C))	**21**	**8**	**100**	**97**	**2**	**33**	**–**	**86**	**52**	**399**	**37**	**436**
Balance as on March 31, 2022 (USD in million) Supplementary information- convenience translation (See Note 2(C))	**23**	**9**	**108**	**105**	**2**	**36**	**–**	**168**	**47**	**498**	**47**	**545**

Notes: Nature and purpose of reserves:

Capital Reserves (other than capital contribution)

The reserve comprises of reserve created on amalgamation of the subsidiaries with the Company and redemption of certain preference shares at 25% of the face value pursuant to modification in the terms of issue.

Capital redemption reserve

Capital redemption reserve was created during redemption of preference shares out of the profits of the Company in accordance with the requirements of Companies Act.

Capital Contribution

Under Ind AS, preference shares have been measured at fair value at inception with reference to market rates and the difference to the extent pertaining to the Promoter Group have been recognised as capital contribution.

Securities premium

Securities premium is used to record the premium received on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

Share Options Outstanding Account

The Company has adopted various equity-settled share based payment plans for certain categories of employees. Refer Note 38 for further details.

Foreign Currency Monetary Items Translation Difference Account (FCMITDA)

Under previous GAAP, paragraph 46A of Accounting Standard for 'The Effects of Changes in Foreign Exchange Rates' (AS 11) provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable asset are adjusted in fixed assets and depreciated over the remaining life of such assets and in other cases are accumulated in Foreign Currency Monetary item Translation Difference Account (FCMITDA) to be amortised over balance period of long term asset/liability. Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

General Reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

Exchange differences on translating the financial statements of a foreign operation (Foreign Currency Translation Reserve)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

Significant Accounting Policies - Note 3
The accompanying notes form an integral part of these financial statements

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

Deepak Madnani
Chief Financial Officer

Debashis Dey
Company Secretary

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

Huzaifa Khorakiwala
Executive Director
DIN: 02191870

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Zahabiya Khorakiwala
Non Executive Director
DIN: 00102689

Aman Mehta
DIN: 00009364

Sanjaya Baru
DIN: 05344208

Vinesh Kumar Jairath
DIN: 00391684

Akhilesh Gupta
DIN: 00359325

Directors

CONSOLIDATED FINANCIAL STATEMENTS - CASH FLOW STATEMENT

For the Year Ended March 31, 2023

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES				
Loss before tax	**(624)**	**(76)**	(411)	(56)
Adjustments for:				
Provision for contract asset	**50**	**6**	–	–
Provision for impairment of property, plant and equipment	**33**	**4**	–	–
Depreciation and amortisation expense	**251**	**31**	247	33
Capital work in progress write off	**4**	**–**	–	–
Allowance for expected credit loss, doubtful advances and bad debts provision	**22**	**3**	20	3
Loss on assets sold/write off of fixed assets (net)	**59**	**7**	6	1
Finance costs	**302**	**37**	299	39
Exchange loss/ (gain)	**(80)**	**(10)**	(11)	(1)
Interest income	**(4)**	**–**	(6)	(1)
Employee share based payments expenses	**1**	**–**	1	–
Liabilities no longer required written back	**(3)**	**–**	(2)	–
	11	**1**	**143**	**18**
Movements in Working capital				
Decrease in Inventories	**141**	**17**	30	4
Decrease in trade receivables	**199**	**24**	7	1
Decrease/(Increase) in Loans and Advances and other assets	**18**	**2**	(113)	(15)
(Decrease)/Increase in Liabilities and provisions	**(205)**	**(25)**	457	61
Adjustment for translation difference for working capital movement	**–**	**–**	(14)	(2)
Cash generated from operations	**164**	**20**	510	67
Income tax paid	**(11)**	**(1)**	(97)	(13)
Net cash inflow from Operating activities	**153**	**19**	413	54
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment and Capital work-in progress	**(42)**	**(5)**	(118)	(16)
Purchase of Intangible assets and Addition in Intangible assets under development	**(167)**	**(20)**	(94)	(12)
Proceeds from sale of property, plant and equipment	**79**	**10**	1	–
Margin money under lien and Bank balances (other than cash and cash equivalents)	**3**	**–**	7	1
Interest received	**2**	**–**	3	–
Net cash outflow from Investing activities	**(125)**	**(15)**	(201)	(27)
CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES (REFER NOTE 47)				
Proceeds from Issuance of Equity share capital under ESOS* * ₹ 0.01 crore (Previous year- ₹ 0.02 crore)	**0**	**–**	0	–
Proceeds from Issuance of Equity share capital under Right Issue	–	–	748	99
Transaction cost related to Right Issue	**(3)**	**–**	(1)	–
Proceeds from long-term borrowings	**–**	**–**	49	6
Issue of Non-convertible debentures	**–**	**–**	237	31
Repayment of long-term borrowings	**(290)**	**(35)**	(786)	(104)
Short-term borrowings (net)	**81**	**10**	(101)	(13)
Loans from related parties	**328**	**40**	1,348	178

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Repayment of loans taken from related parties	**(116)**	**(14)**	(1,302)	(172)
Repayment of Lease liabilities (Refer note 3 below)	**(73)**	**(9)**	(71)	(9)
Finance costs paid	**(242)**	**(29)**	(190)	(25)
Equity Dividend paid to IEPF	**–**	**–**	(2)	–
Net cash outflow from Financing activities	**(315)**	**(38)**	(71)	(9)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	**(287)**	**(35)**	141	18
Cash and cash equivalents as at the beginning of the year	**370**	**45**	232	31
Effects of exchange rate changes on cash and cash equivalents	**2**	**–**	(3)	–
Exchange difference on translation of foreign cash and cash equivalent*	**5**	**1**	0	–
* Previous year ₹ 0.09 crore				
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	**90**	**11**	370	49

Reconciliation of cash and cash equivalents as per the cash flow statement

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
CASH AND CASH EQUIVALENTS AS PER ABOVE COMPRISE OF THE FOLLOWING				
Cash on hand*	**–**	**–**	0	–
* Previous year - ₹ 0.09 crore				
Balance with banks:				
- in current account	**90**	**11**	370	49
Balance as per the Statement of cash flows	**90**	**11**	370	49

Notes:

1. The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.
2. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. Repayment of lease liabilities consists of:
   Payment of interest ₹ 27 crore (Previous year: ₹ 31 crore)
   Payment of Principal ₹ 46 crore (Previous year: ₹ 40 crore)
4. Figures in bracket indicate cash outflow.

Significant Accounting Policies - Note 3

The accompanying notes form an integral part of these financial statements.

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

Deepak Madnani
Chief Financial Officer

Debashis Dey
Company Secretary

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

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Akhilesh Gupta
DIN: 00359325

Directors

CONSOLIDATED FINANCIAL STATEMENTS - NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Wockhardt Limited (WL or the 'Company') is a public limited company incorporated in India and has its registered office at D-4, MIDC, Chikalthana, Maharashtra, India. The Company's equity shares are listed on The BSE Ltd (BSE) and The National Stock Exchange of India Limited (NSE).

The Company and its subsidiaries (the 'Group') is a global pharmaceutical and biotech company with presence in USA, UK, Switzerland, Ireland, Russia and many other countries. It has manufacturing and research facilities in India & UK and a manufacturing facility in Ireland and Dubai. The Group has a significant presence in USA, Europe and India.

Background

The Company has controlling interest, directly or through subsidiaries in the following entities:

	Entity	Country of Incorporation	Name of Parent	Percentage of holding (%) *
	Subsidiaries			
1	Wockhardt Infrastructure Development Limited	India	Wockhardt Limited	100%
2	Wockhardt Medicines Limited #	India	Wockhardt Limited	100%
3	Wockhardt Biologics Limited #	India	Wockhardt Limited	100%
4	Wockhardt UK Holdings Limited	England & Wales	Wockhardt Limited	100%
5	Wockhardt Bio AG [Formerly, Wockhardt EU Operations (Swiss) AG]	Switzerland	Wockhardt Limited	85.85%
6	Wockhardt Europe Limited	British Virgin Islands	Wockhardt Limited	100%
	Step-down subsidiaries			
1	CP Pharmaceuticals Limited	England & Wales	Wockhardt Bio AG	100%
2	Wallis Group Limited	England & Wales	Wockhardt UK Holdings Limited	100%
3	The Wallis Laboratory Limited	England & Wales	Wallis Group Limited	100%
4	Wallis Licensing Limited	England & Wales	Wallis Group Limited	100%
5	Wockhardt Farmaceutica Do Brasil Ltda	Brazil	The Wallis Laboratory Limited	90%
			Wockhardt Europe Limited	10%
6	Z & Z Services GmbH (formerly, Esparma GmbH)	Germany	Wockhardt Bio AG	100%
7	Wockhardt UK Limited	England & Wales	Wockhardt Bio AG	100%
8	CP Pharma (Schweiz)AG	Switzerland	Wockhardt Bio AG	100%
9	Wockpharma Ireland Limited	Ireland	Wockhardt Bio AG	100%
10	Pinewood Healthcare Limited	England & Wales	Wockhardt Bio AG	100%
11	Pinewood Laboratories Limited	Ireland	Wockpharma Ireland Limited.	100%
12	Wockhardt France (Holdings) S.A.S.	France	Wockhardt Bio AG	100%
13	Niverpharma S.A.S. (upto September 26, 2022)	France	Wockhardt France (Holdings) S.A.S.	100%
14	Laboratoires Pharma 2000 S.A.S. (upto September 26, 2022)	France	Wockhardt France (Holdings) S.A.S.	100%
15	Laboratoires Negma S.A.S.	France	Wockhardt France (Holdings) S.A.S.	100%
16	Negma Beneulex S.A. (upto September 23, 2022)	Belgium	Wockhardt France (Holdings) S.A.S.	53.97%
			Laboratoires Negma S.A.S.	46.03%
17	Phytex S.A.S. (upto September 26, 2022)	France	Wockhardt France (Holdings) S.A.S.	100%
18	Wockhardt Holding Corp.	USA	Wockhardt Bio AG	100%
19	Morton Grove Pharmaceuticals Inc.	USA	Wockhardt Holding Corp.	100%
20	MGP Inc	USA	Wockhardt Holding Corp.	100%
21	Wockhardt USA LLC	USA	Morton Grove Pharmaceuticals Inc.	100%
22	Wockhardt Farmaceutica SA DE CV	Mexico	Wockhardt Bio AG	100%
23	Wockhardt Services SA DE CV	Mexico	Wockhardt Bio AG	100%
24	Wockhardt Nigeria Limited	Nigeria	Wockhardt Europe Limited	100%
25	Wockhardt Bio (R) LLC	Russia	Wockhardt Bio AG	100%
26	Wockhardt Bio Pty Ltd	Australia	Wockhardt Bio AG	100%
27	Wockhardt Bio Ltd #	New Zealand	Wockhardt Bio AG	100%

Wockhardt Bio Ltd, Wockhardt Biologics Limited and Wockhardt Medicines Limited is yet to commence business.

* % holding is same as of previous year.

The Company together with its subsidiaries Wockhardt Infrastructure Development Limited ('WIDL'), Consolidated Wockhardt Europe Limited ('WEL'), Consolidated Wockhardt UK Holdings Limited ('WUK'), and Consolidated Wockhardt Bio AG (collectively, 'the Group') is primarily engaged in the business of manufacture and marketing of pharmaceutical products. The Group has eleven manufacturing locations and there are two locations where research and development activities are carried out.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

A. Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and also the guidelines issued by Securities and Exchange Board of India('SEBI'), as applicable.

These consolidated financial statements were approved by the Board of Directors and authorised for issue on May 26, 2023.

B. Functional and Presentation Currency

These consolidated financial statements are presented in Indian rupees (₹), which is the functional currency of the parent Company and the currency of the primary economic environment in which the parent Company operates. All the amounts have been rounded off to the nearest crore except per share data.

C. Basis of preparation of consolidated financial statements.

These consolidated financial statements have been prepared on accrual basis under the historical cost convention except for the following material items in the statement of financial position:

- Certain financial assets and liabilities that are measured at fair value.
- Share-based payments.
- Certain Property, Plant and Equipment measured at fair value which has been considered as deemed cost.
- Net defined benefit (asset)/liabilities.

Convenience translation

The accompanying financial statements have been prepared in Indian rupees ("₹"), the national currency of India and the functional currency of the Company. The translation of the Indian rupees amounts to US dollars is included solely for the convenience of the reader. The financial statements as of March 31, 2023 and March 31, 2022 have been translated into United States dollars at the closing rate USD 1 = ₹ 82.2090 as on March 31, 2023 (March 31, 2022: USD 1 = ₹ 75.7975) as published by third party website providing market information on exchange rates.

No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate, or at all.

Going Concern

The Group has incurred a loss in the current year and the current liabilities exceed current assets and assets held for sale by ₹ 1,227 crores. Of these current liabilities, ₹ 788 crores pertain to loans received from companies controlled by the Promoters ('Promoter entities'). These Promoter entities have reaffirmed their commitment and confirmed that they will not recall the loans provided to the Group, unless the Group confirms that it has adequate surplus liquidity available and Promoter entities have confirmed to provide required financial support to the Group to repay the liabilities of the Group. Group also has access to undrawn borrowing facilities from certain lenders. Considering the support from Promoter entities, undrawn borrowing facilities, expected cash inflows from ongoing business operations and from sale of surplus assets classified as held for sale, the Group is confident of repayment of liabilities as and when they fall due and accordingly the Group has prepared the financial statements on a going concern basis. Subsequent to March 31, 2023 the terms of borrowings of ₹ 600 crores from related parties, which were current have been revised and now the repayment tenure for such borrowings have been extended to March 31, 2025 with an option to the Company to further renew the loan basis Company's assessment of cash flows and liquidity position on that date.

D. Basis of consolidation

Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date the control commences until the date the control ceases. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, income and expenses. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company.

Any interest retained in the form of subsidiary is measured at fair value at the date that control is lost. Any resulting gain or loss is recognized in Consolidated Statement of Profit and Loss.

Non-controlling interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

E. Use of Estimates and Judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumption about the reported amounts of assets and liabilities (including contingent liabilities) on the date of consolidated financial statement and the reported income and expenses during the year. The management believes that the judgements and estimates used in preparation of these consolidated financial statements are prudent and reasonable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in these consolidated financial statements.

(i) Lease arrangements:

The Group has entered into several arrangements for lease of land and property from Government entities and other parties. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(ii) Impairment of trade receivables:

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Groups's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(iii) Legal and other disputes:

The Group provides for anticipated settlement costs where an outflow of resources is considered probable and a reliable estimate may be made of the likely outcome of the dispute and legal and other expenses arising from claims against the Group. These estimates take into account the specific circumstances of each dispute and relevant external advice which are inherently judgmental and could change substantially over time as new facts emerge and each dispute progresses.

(iv) Post- employment benefits:

The costs of providing gratuity and other post-employment benefits are charged to the income statement in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by management. These assumptions include future earnings and salary increases, discount rates, expected long-term rates of return on assets and mortality rates.

(v) Sales return and rebates:

Revenue is recognized when significant control is transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

Gross revenue is reduced by rebates, discounts, allowances and product returns given or expected to be given, which vary by product arrangements and buying groups. These arrangements with purchasing organisations are dependent upon the submission of claims sometime after the initial recognition of the sale. Accruals are made at the time of sale for the estimated rebates, discounts or allowances payable or returns to be made, based on available market information and historical experience.

Because the amounts are estimate, they may not fully reflect the final outcome, and the amounts are subject to change dependent upon, amongst other things, the types of buying group and product sales mix.

The level of accrual for rebates and returns is reviewed and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Market conditions are evaluated using wholesaler and other third-party analyses, internally generated information.

Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the Group.

(vi) Current tax and deferred tax:

The Group's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Group's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material impacts on profit/loss and/or cash flows.

The complexity of the Group's structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the Group and it is often dependent on the efficiency of the legal processes. Issues can, and often do, take many years to resolve.

The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits which are based on budgeted cash flow projections, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

(vii) Estimation of useful life:

The useful life used to amortise or depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the consolidated statement of profit and loss.

The useful lives of Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

(viii) Provision for inventory:

Inventory is stated at cost or net realizable whichever is lower. Provision for slow moving inventory is made based on historical experience with old inventory and the utilization plan of such inventory in the near future.

(ix) Recoverability of Property, plant & equipment and capital work in progress:

Property, plant & equipment and old capital work in progress is assessed for recoverability based on management's utilization plans, technical assessment of current condition of the underlying assets. Company does a periodic physical verification and inspection of these assets using internal and external experts to determine the condition and usability of these assets. The Company also determine the recoverable value of CGU's basis the estimated future cash flows for assessment of potential impairment.

(x) Intangible asset under development :

Development expenditure incurred in relation to the New Chemical Entity (NCE) is tested for recoverability, based on the estimated future cash flows, progress on development activity and other relevant updates. Changes in these assumptions could lead to an impairment to the carrying value of these Intangible assets under development.

(xi) Goodwill:

The carrying value of goodwill is tested for impairment, based on estimated future cash flows, discount rate, terminal growth rates assumption etc. for respective business. Changes in these assumptions could impact the carrying value of goodwill.

3. SIGNIFICANT ACCOUNTING POLICIES:

a) Property, Plant and Equipment and Depreciation

I. Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Consolidated Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

II. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Consolidated Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

III. *Depreciation and amortisation*

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation is provided, using the straight line method, pro-rata to the period of use of assets, in accordance with the requirements of Schedule II of the Companies Act, 2013, based on the useful lives of the assets determined through technical assessment by the management. The estimated useful lives followed by the Group are as follows:

Assets	**Estimated useful life**
Leasehold land	Over the period of lease
Buildings	10 – 61 years
Plant and Equipment	4 – 21 years
Furniture and Fixtures	6 – 20 years
Office Equipments	4 – 20 years
Information Technology Equipments	3 – 20 years
Vehicles	5 years

Depreciation method, useful life and residual value are reviewed at each financial year end and adjusted if appropriate.

Depreciation on additions (disposals) are provided on a pro-rata basis i.e. from (up to) the date on which assets are ready for use (disposed of).

b) Intangible assets

I. *Recognition and Measurement*

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

II. *Subsequent Expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

III. *Amortisation*

Intangible assets are amortised over their estimated useful life on Straight Line Method. The estimated useful lives followed by the Group is 3 to 15 years.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

c) Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when it meets the conditions of development phase under Ind AS 38 "Intangible Assets" and it can be demonstrated that intangible asset under development will generate probable future economic benefits. . The carrying value of development costs is reviewed for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

d) Impairment of Non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss.

The recoverable amount is the greater of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss.

CGUs to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Determination of recoverable amount of CGU requires the management to estimate the future cash flows expected to arise and a suitable discount rate in order to calculate the present value. An impairment loss recognised for goodwill is not reversed in subsequent periods.

e) Foreign Currency Transactions / Translations:

i) Transactions in foreign currencies are translated to the reporting currency at exchange rates at the dates of the transactions.

ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the reporting currency at the exchange rate at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

iii) Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the Consolidated Statement of Profit and Loss in the period in which they arise.

iv) The Group has availed an option of continuing the policy adopted for exchange differences arising from translation of long term foreign currency monetary items outstanding as on March 31, 2016. Accordingly, foreign exchange gain/losses on long term foreign currency monetary items relating to the acquisition of depreciable assets are added to or deducted from the cost of such assets and in other cases, such gains or losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the remaining life of the concerned monetary item.

v) Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

f) Financial Instruments

I. Financial assets

(i) Classification of financial assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the EIR method. The Group does not have any instruments classified as fair value through other comprehensive income (FVOCI).

Debt instruments measured at fair value through profit and loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Consolidated statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments:

Equity investments which are in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of such investments.

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

The Group does not have any equity investments designated at FVOCI.

Dividend from investments is recognised as revenue when right to receive is established.

Interest income is recognized with reference to Effective Interest Rate Method.

Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency 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. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Consolidated Statement of Profit and Loss.

(ii) Initial recognition and measurement

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original transaction price as the sales arrangements do not contain any significant financing component. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

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

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

(iv) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward-looking estimates are analysed.

II. Financial Liabilities and equity instruments

Debt and equity instruments issued by the Group classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(ii) Financial liabilities: - Classification:

Financial liabilities are classified as either 'at FVTPL' or 'other financial liabilities'. FVTPL liabilities consist of derivative financial instruments, wherein the gains/losses arising from remeasurement of these instruments is recognized in the Consolidated Statement of Profit and Loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

(iii) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to issue of these instruments.

(iv) Derecognition:

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

III. Fair value

The Group determines the fair value of its financial instruments on the basis of the following hierarchy:

(a) Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date. Examples include exchange-traded commodity derivatives and other financial assets such as investments in equity and debt securities which are listed in a recognized stock exchange.

(b) Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.

(c) Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

IV. Accounting for day 1 differences

If the fair value of the financial asset at initial recognition differs from the transaction price, this difference if it is not consideration for goods or services or a deemed capital contribution or deemed distribution, is accounted as follows:

- if the fair value is evidenced by a quoted price in an active market for an identical asset or liability (ie a Level 1 input) or based on a valuation technique that uses only data from observable market, the entire day 1 gain/loss is recorded immediately in the Consolidated Statement of Profit and Loss; or
- in all other cases, the difference between the fair value at initial recognition and the transaction price is deferred. After initial recognition, the deferred difference is recorded as gain or loss in the Consolidated Statement of Profit and Loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability

In case the difference represents:

(i) deemed capital contribution - it is recorded as capital contribution in Capital Reserve

(ii) deemed distribution - It is recorded in equity

(iii) deemed consideration for goods and services - it is recorded as an asset or a liability. This amount is amortized/accredited to the Consolidated Statement of Profit and Loss as per the substance of the arrangement (generally straight-line basis over the duration of the arrangement)

V. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

g) Business combinations

i) The Group accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

ii) Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

iii) The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve.

iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Profit and Loss.

vi) Transaction costs that the Company incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

vii) On an acquisition-by-acquisition basis, the Company recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

viii) Any goodwill that arises on account of such business combination is tested annually for impairment.

ix) Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

x) Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (CGUs) that is expected to benefit from the synergies of the combination. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal.

h) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss except to the extent that it relates to 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. It is measured at the amount expected to be recovered from or paid to the taxation authorities using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends if any.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability 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 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. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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 temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

i) Inventories

All inventories are valued at moving weighted average price other than finished goods, which are valued on moving average price. Finished goods and Work in progress is computed based on respective moving weighted average price of procured materials and appropriate share of labour and other manufacturing overheads.

Inventories are valued at cost or net realizable value, whichever is lower. Cost also includes all charges incurred for bringing the inventories to their present location and condition including non-creditable taxes and other levies.

Inventories of stores and spare parts are valued at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

j) Revenue Recognition

Sale of goods

Revenue is recognized when significant control is transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Accordingly, the timing of recognition of revenue is dependent on the specific terms agreed with the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The timing of the transfer of control varies depending on the individual terms of the sales agreements.

In case of certain bill and hold arrangements with a few customers, the Group recognizes revenue when the goods are separately identified and are ready for physical transfer and are kept at warehouses / manufacturing plants based on specific instructions from the customer and the Group cannot use these goods for any other purpose and the reason for such an arrangement is substantive.

Sale of Services, Outlicensing fees, sale of intellectual property and Assignment of New Chemical Entity

Revenues from services, Outlicensing fees, sale of intellectual property and Assignment of New Chemical Entity is recognized in accordance with the terms of the relevant agreement(s) as generally accepted and agreed with the customers, and when control transfers to such customers and the Company's performance obligations are satisfied.

Export Incentive

Income from Export Benefits and Other Incentives Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and / or services are rendered only when there reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

Insurance claims

Insurance claims are accounted on acceptance of the claim and when it can be measured reasonably, and it is reasonable to expect ultimate collection.

Dividend from investments is recognised as revenue when right to receive is established.

k) Employee Benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in Consolidated Statement of Profit and Loss in the period in which they arise.

l) Share-based payment transactions

Employees Stock Options Plans ("ESOPs"): The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share Options Outstanding Account". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

m) Leases

The Group as a lessee

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

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") 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) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

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 evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized 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 in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

n) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the notes to the consolidated financial statements. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Group or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in these consolidated financial statements as this may result in the recognition of income that may never be realised. Contingent assets (if any) are disclosed in the notes to the consolidated financial statements.

o) Borrowing costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings (other than long term foreign currency borrowings outstanding as of March 31, 2016) to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

p) Government Grants

Government grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognised in Consolidated Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.
- In case of grants that compensate the Group for expenses incurred are recognised in Consolidated Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognised.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

q) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale, if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable and sale is expected to be completed within one year from date of classification.

Non-current assets held for sale are presented separately in the current section of the consolidated balance sheet. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell, unless these items presented in the disposal group are deferred tax assets, assets arising from employee benefits and financial assets that are specifically exempt from the requirements.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Discontinued operations are reported when a component of the Group comprising operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group operations is classified as held for sale or has been disposed of, if the component either (1) represents a separate major line of business or geographical area of operations and (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or (3) is a subsidiary acquired exclusively with a view to resale.

In the consolidated statement of profit and loss, income/ (loss) from discontinued operations is reported separately from income and expenses from continuing operations. The comparative consolidated statement of profit and loss is re-presented; as if the operation had been discontinued from the start of the comparative period. The cash flows from discontinued operations are presented separately in Notes.

r) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax available to equity share holders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

s) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

t) **Cash Flow statement**

Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS 7) - Statement of Cash Flows.

u) **Operating cycle**

All assets and liabilities have been classified as current or non-current as per Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013.

v) **Recent 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 March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

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 Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

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 Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

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 Group does not expect this amendment to have any significant impact in its financial statements.

4.

Property, Plant and Equipment	Gross Block (At Cost)						Accumulated Depreciation/Impairment							Net Block			
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	Exchange gain/ (loss)	Asset classified as held for sale (Refer Note 39 (iii))	**As at March 31, 2023**	As at April 01, 2022	Charge for the year	Deductions/ Adjustments	Exchange gain/ (loss)	Impairment	Asset classified as held for sale (Refer Note 39 (iii))	**As at March 31, 2023**	**As at March 31, 2023**	**As at March 31, 2023**	As at March 31, 2022	As at March 31, 2022
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	**₹ in crore**	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	**₹ in crore**	**₹ in crore**	**USD in million**	₹ in crore	USD in million
															Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Freehold Land	63	–	–	5	(48)	**20**	–	–	–	–	14	–	**14**	**6**	**1**	63	8
Buildings	748	2	(2)	18	(124)	**642**	233	19	(1)	7	19	(57)	**220**	**422**	**51**	515	68
Plant and Equipment	2,793	41	(286)	35	–	**2,583**	1,514	135	(159)	22	–	–	**1,512**	**1,071**	**130**	1,279	169
Furniture and Fixtures	77	13	(1)	2	–	**91**	47	5	–	1	–	–	**53**	**38**	**5**	30	4
Vehicles	7	–	(1)	–	–	**6**	6	–	(1)	–	–	–	**5**	**1**	**–**	1	–
Office Equipment	51	2	–	1	–	**54**	34	2	–	1	–	–	**37**	**17**	**2**	17	2
Information Technology Equipments	97	4	–	2	–	**103**	94	4	–	2	–	–	**100**	**3**	**–**	3	–
Total	**3,836**	**62**	**(290)**	**63**	**(172)**	**3,499**	**1,928**	**165**	**(161)**	**33**	**33**	**(57)**	**1,941**	**1,558**	**190**	1,908	**251**
Capital work-in-progress (Refer Note 4.2 below)														**414**	**50**	389	**51**

Right of use assets	Gross Block (At Cost)						Accumulated Depreciation/ Impairment							Net Block			
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	Exchange gain/ (loss)	Asset classified as held for sale (Refer Note 39 (i))	**As at March 31, 2023**	As at April 01, 2022	Charge for the year	Deductions/ Adjustments	Exchange gain/ (loss)	Impairment	Asset classified as held for sale (Refer Note 39 (i))	**As at March 31, 2023**	**As at March 31, 2023**	**As at March 31, 2023**	As at March 31, 2022	As at March 31, 2022
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	**₹ in crore**	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	**₹ in crore**	**₹ in crore**	**USD in million**	₹ in crore	USD in million
															Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Buildings	438	6	–	2	–	**446**	158	55	–	1	–	–	**214**	**232**	**28**	280	37
Plant and Equipment	29	–	–	–	–	**29**	6	3	–	–	–	–	**9**	**20**	**2**	23	3
Vehicles	3	–	–	–	–	**3**	3	–	–	–	–	–	**3**	**–**	**–**	–	–
Office Equipment* *Net block as at March 31, 2022 ₹ 0.12 crore	1	–	–	–	–	**1**	1	–	–	–	–	–	**1**	**–**	**–**	0	–
Leasehold Land	295	–	(11)	–	(38)	**246**	35	4	(2)	–	–	(3)	**34**	**212**	**26**	260	34
Total	**766**	**6**	**(11)**	**2**	**(38)**	**725**	**203**	**62**	**(2)**	**1**	**–**	**(3)**	**261**	**464**	**56**	563	**74**

Property, Plant and Equipment	Gross Block (At Cost)						Accumulated Depreciation/ Impairment							Net Block				
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	Exchange gain/ (loss)	Asset classified as held for sale	As at March 31, 2022	As at April 01, 2021	Charge for the year	Deductions/ Adjustments	Exchange gain/ (loss)	Impairment	Asset classified as held for sale	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	USD in million Supplementary information- convenience translation (See Note 2(C))	₹ in crore	USD in million Supplementary information- convenience translation (See Note 2(C))
Freehold Land	61	–	–	2	–	63	–	–	–	–	–	–	–	63	8	61	8
Buildings	666	81	(1)	2	–	748	214	20	(1)	–	–	–	233	515	68	452	62
Plant and Equipment	2,556	246	(10)	1	–	2,793	1,390	134	(9)	(1)	–	–	1,514	1,279	169	1,166	160
Furniture and Fixtures	63	15	–	(1)	–	77	42	5	–	–	–	–	47	30	4	21	3
Vehicles	7	–	–	–	–	7	6	–	–	–	–	–	6	1	–	1	–
Office Equipment	48	3	–	–	–	51	32	2	–	–	–	–	34	17	2	16	2
Information Technology Equipments	94	5	(2)	–	–	97	92	4	(2)	–	–	–	94	3	–	2	–
Total	**3,495**	**350**	**(13)**	**4**	**–**	**3,836**	**1,776**	**165**	**(12)**	**(1)**	**–**	**–**	**1,928**	**1,908**	**251**	1,719	**235**
Capital work-in-progress (Refer Note 4.2 below)														**389**	**51**	603	**82**

Right of use assets	Gross Block (At Cost)						Accumulated Depreciation/ Impairment							Net Block				
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	Exchange gain/ (loss)	Asset classified as held for sale	As at March 31, 2022	As at April 01, 2021	Charge for the year	Deductions/ Adjustments	Exchange gain/ (loss)	Impairment	Asset classified as held for sale	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	USD in million Supplementary information- convenience translation (See Note 2(C))	₹ in crore	USD in million Supplementary information- convenience translation (See Note 2(C))
Buildings	405	33	–	–	–	438	104	54	–	–	–	–	158	280	37	301	41
Plant and Equipment	29	–	–	–	–	29	3	3	–	–	–	–	6	23	3	26	4
Vehicles	2	1	–	–	–	3	2	1	–	–	–	–	3	–	–	–	–
Office Equipment* *Opening accumulated depreciation ₹ 0.48 crore * Charge for the year ₹ 0.16 crore *Net block as at March 31, 2022 ₹ 0.12 crore	1	–	–	–	–	1	0	0	–	–	–	–	1	0	–	1	–
Leasehold Land	294	1	–	–	–	295	30	5	–	–	–	–	35	260	34	264	36
Total	**731**	**35**	**–**	**–**	**–**	**766**	**139**	**63**	**–**	**–**	**–**	**–**	**203**	**563**	**74**	592	**81**

Notes:

4.1 - Exchange differences arising on long term foreign currency monetary items relating to depreciable asset adjusted in additions/ adjustments above amounts to ₹ 0.45 crore (Previous year - ₹ 1 crore).

4.2- Addition to Capital Work-In-Progress includes expenditure incurred during construction period pending allocation aggregating ₹ 2 crore (Previous year : ₹ 4 crore). These expenses include employee and material cost ₹ 1 crore (Previous year : ₹ 1 crore), Interest Cost ₹ Nil (Previous year : ₹ 2 crore) and Other operating cost ₹ 1 crore (Previous year : ₹ 1 crore). [Other operating cost includes repairs and maintenance ₹ 0.2 crore (Previous year: ₹ 0.07 crore), legal and professional charges ₹ 0.08 crore (Previous year : ₹ 0.07 crore) and Other general expenses ₹ 0.7 crore (Previous year : ₹ 1 crore)].

4.3- Charge has been created against the aforesaid assets for the borrowings taken by the Company and its subsidiary (Refer note 17 and 21).

4.4- Capital-work-in progress ageing schedule.

Particulars	As at March 31, 2023					As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years**	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Project in progress*	26	70	–	318	414	91	19	4	275	389
Total	26	70	–	318	414	91	19	4	275	389

* Project in progess includes ₹ 47 Crore (Previous year- ₹ 58 crore) incurred for proposed production of vaccine.Since the Company has put the plan of vaccine production in India on hold, it is now proposed to use these assets for production of alternate pharmaceutical products. The Company plans to put these assets to use by FY 2024-25.

** The Group expects to capitalise capital-work-in progress amounting ₹ 318 crore by FY 2024-25.

5. GOODWILL

Particulars	Gross Block (At Cost)					Accumulated Impairment					Net Block			
	As at April 01, 2022	Additions	Deductions/ Adjustments	Exchange Gain/(Loss)	As at March 31, 2023	As at April 01, 2022	Charge for the year	Deductions/ Adjustments	Exchange Gain/(Loss)	As at March 31, 2023	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	USD in million	₹ in crore	USD in million
												Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Goodwill	891	–	–	54	945	–	–	–	–	–	945	115	891	118

Particulars	Gross Block (At Cost)					Accumulated Impairment					Net Block			
	As at April 01, 2021	Additions	Deductions/ Adjustments	Exchange Gain/(Loss)	As at March 31, 2022	As at April 01, 2021	Charge for the year	Deductions/ Adjustments	Exchange Gain/(Loss)	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	USD in million	₹ in crore	USD in million
												Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Goodwill	904	–	–	(13)	891	–	–	–	–	–	891	118	904	124

5. GOODWILL

Movement of carrying amount – Refer Schedule of Goodwill

Impairment testing of Goodwill

Pinewood Laboratories Limited

Pinewood Laboratories Limited ("Pinewood"), incorporated in Ireland, is a step down Subsidiary of the Company.

The goodwill is majorly attributable to Pinewood.

For the purposes of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Units (CGU's).

Particulars	**As at March 31, 2023 ₹ in crore**	As at March 31, 2022 ₹ in crore
Pinewood	**797**	751
	797	751

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources and future projections.

The cash flow projections included specific estimates for six years developed using internal forecasts and a terminal growth rate thereafter. The planning horizon reflects the assumptions for short-to-mid term market developments.

The Group has used 2% long term growth rate for value in use calculation.

Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs. Post-tax discount rates used was 14% (Previous year - 10.84%).

The management believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

CP Pharmaceuticals Limited

CP Pharmaceuticals Limited ("CP Pharmaceuticals"), incorporated in UK, is a step down Subsidiary of the Company.

For the purposes of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Units (CGU's).

Particulars	**As at March 31, 2023 ₹ in crore**	As at March 31, 2022 ₹ in crore
CP Pharmaceuticals	**55**	54
	55	54

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources and future projections.

The cash flow projections included specific estimates for five years developed using internal forecasts and a terminal growth rate thereafter. The planning horizon reflects the assumptions for short-to-mid term market developments.

The Group has used 2% long term growth rate for value in use calculation.

Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs. Post- tax discount rates used was 14% (Previous year - 10.84%).

The management believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash- generating unit.

Morton Grove Pharmaceuticals Inc.

Morton Grove Pharmaceuticals Inc. ("Morton Grove"), incorporated in USA, is a step down Subsidiary of the Company.

For the purposes of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Units (CGU's).

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Morton Grove	**93**	86
	93	86

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources and future projections.

The cash flow projections included specific estimates for five years developed using internal forecasts and a terminal growth rate thereafter. The planning horizon reflects the assumptions for short-to-mid term market developments.

The Group has used 3% long term growth rate for value in use calculation.

Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs. Post-tax discount rates used was 14.57% (Previous year - 9.63%).

The management believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash- generating unit.

6.

Other Intangible Assets	Gross Block (At Cost)					Accumulated Amortisation					Net Block			
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	Exchange Gain/(Loss)	**As at March 31, 2023**	As at April 01, 2022	Charge for the year	Deductions/ Adjustments	Exchange Gain/(Loss)	**As at March 31, 2023**	**As at March 31, 2023**	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	**₹ in crore**	₹ in crore	USD in million	₹ in crore	USD in million
												Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Brands/Trademarks/Technical know-how	420	9	(28)	13	414	346	10	(28)	27	**355**	59	7	74	10
Computer software	106	3	–	4	113	80	14	–	3	**97**	16	2	26	3
Total	**526**	**12**	**(28)**	**17**	**527**	**426**	**24**	**(28)**	**30**	**452**	**75**	**9**	**100**	**13**
Intangible assets under Development											1,125	137	953	126

Other Intangible Assets	Gross Block (At Cost)					Accumulated Amortisation					Net Block			
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	Exchange Gain/(Loss)	As at March 31, 2022	As at April 01, 2021	Charge for the year	Deductions/ Adjustments	Exchange Gain/(Loss)	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	USD in million	₹ in crore	USD in million
												Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Brands/Trademarks/Technical know-how	422	8	(5)	(5)	420	328	10	(1)	9	346	74	10	94	13
Computer software	104	1	–	1	106	70	9	–	1	80	26	3	34	5
Total	**526**	**9**	**(5)**	**(4)**	**526**	**398**	**19**	**(1)**	**10**	**426**	**100**	**13**	**128**	**18**
Intangible assets under Development											953	126	776	106

Note:

Intangible assets under development ageing schedule.

Particulars	As at March 31, 2023					As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Project in progress	181	184	60	700	1,125	184	60	204	505	953
Total	**181**	**184**	**60**	**700**	**1,125**	**184**	**60**	**204**	**505**	**953**

The Group expects to capitalise key NCE's, i.e. NCE 5222 amounting ₹ 531 crore by FY 2024-25, NCE 4873 amounting ₹ 230 crore by FY 2024-25 and NCE 4282 amounting ₹ 285 crore by FY 2027-28

7. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Investments carried at fair value through profit or loss				
Unquoted Equity Shares:				
443,482 (Previous year: 443,482) Equity Shares of Narmada Clean Tech Limited (formerly known as Bharuch Eco-Aqua Infrastructure Limited) of ₹ 10 each fully paid up*	0	–	0	–
* ₹ 0.44 crore (Previous year- ₹ 0.44 crore)				
(Transaction Value: ₹ 0.44 Crore; Previous year: ₹ 0.44 Crore)				
6,300 (Previous year: 6,300) Equity Shares of Bharuch Enviro Infrastructure Limited of ₹ 10 each fully paid up*	0	–	0	–
* ₹ 0.01 crore (Previous year- ₹ 0.01 crore)				
(Transaction Value: ₹ 0.01 Crore; Previous year: ₹ 0.01 Crore)				
Total	0	–	0	–
Aggregate book value of unquoted investments* *** ₹ 0.45 crore (Previous year - ₹ 0.45 crore)**	0	–	0	–

8. NON-CURRENT FINANCIAL ASSETS - OTHERS

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Margin money (under lien)	3	–	2	–
Deposit with maturity of more than 12 months	14	2	16	2
(under lien ₹ 14 crore ; Previous year - ₹ 16 crore)				
Security Deposits	47	6	44	6
(Includes deposits with Related parties ₹ 44 crore ; Previous year- ₹ 41 crore) - Also refer Note 40				
Total	64	8	62	8

9. INCOME TAX

Tax recognised in statement of profit and loss

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Current tax charge	12	33
Tax charge pertaining to earlier years	–	5
Deferred tax charge/ (credit), net		
Origination and reversal of temporary differences including Minimum Alternate Tax (MAT) credit entitlement	(15)	(170)
Deferred tax charge/ (credit)	(15)	(170)
Tax charge/ (credit) for the year	(3)	(132)

Tax expense recognised in other comprehensive income

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans - (charge)/ credit	3	5
Total	3	5

Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Loss before tax (a)	**(624)**	(411)
Tax using the Company's domestic tax rate (Current year - 34.944% and Previous year - 34.944%)	**(218)**	(144)
Differences in tax rates of foreign jurisdictions/ tax status and intercompany adjustments	**(29)**	(21)
Current tax charge pertaining to earlier years	**–**	5
Impact of changes in tax rates/ tax laws	**20**	(3)
Non-deductible tax expenses	**4**	21
Tax deductible expenses	**1**	–
Deferred tax asset not created on unabsorbed depreciation/ losses	**190**	2
Incremental deduction allowed for research and development costs	**(4)**	(1)
Income not taxable for tax purposes	**20**	2
Reversal of MAT credit entitlement	**13**	7
Tax expense as per statement of profit and (loss) (b)	**(3)**	(132)
Effective average tax rate for the year (b)/(a)	**0.48%**	32%

Deferred tax assets and liabilities are attributable to the followings

Particulars	Deferred tax assets		Deferred tax liabilities	
	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Property, Plant and Equipment	**(288)**	(267)	**(49)**	(47)
Unabsorbed depreciation/ losses	**439**	323	**–**	–
Unrealised profit on inventory/ assets	**131**	139	**–**	–
Employee benefits	**12**	15	**–**	–
Income/ expenses deferred for tax	**63**	58	**–**	–
Additional tax benefit due to change in tax laws	**31**	50	**–**	–
Allowance for credit loss	**17**	27	**–**	–
Lease arrangement	**20**	20	**–**	–
Loans and Borrowings	**(2)**	(2)	**–**	–
Other items	**(11)**	1	**–**	–
Deferred tax assets/ (liabilities)	**412**	364	**(49)**	(47)
MAT credit entitlement	**196**	209	**17**	19
Net deferred tax assets/ (liabilities)	**608**	573	**(32)**	(28)
Net deferred tax assets/ (liabilities) (USD in million) Supplementary information- convenience translation (See Note 2(C))	**74**	76	**(4)**	(4)

Movement in deferred tax assets and liabilities

Particulars	Net balance April 01, 2022	Recognised in profit or loss	Recognised in Other Comprehensive Income	MAT Credit utilised	March 31, 2023		
					Net Deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Deferred tax asset/ (liabilities)							
Property, Plant and Equipment	(314)	(22)	(1)	–	**(319)**	**–**	**(319)**
Unabsorbed depreciation/ losses	323	107	9	–	**410**	**410**	**–**
Unrealised profit on inventory/ assets	139	(8)	–	–	**131**	**131**	**–**
Employee benefits	15	(6)	3	–	**14**	**14**	**–**
Income/ expenses deferred for tax	58	–	5	–	**63**	**63**	**–**
Additional tax benefit due to change in tax laws	50	(22)	3	–	**31**	**31**	**–**
Allowance for credit loss	27	(10)	–	–	**25**	**25**	**–**
Lease arrangement	20	–	–	–	**21**	**21**	**–**
Loans and Borrowings	(2)	–	–	–	**(2)**	**–**	**(2)**
Other items	1	(11)	(1)	–	**(11)**	**–**	**(11)**
Deferred tax assets/ (liabilities)	317	28	18	–	**363**	**695**	**(332)**

Particulars	Net balance April 01, 2022	Recognised in profit or loss	Recognised in Other Comprehensive Income	MAT Credit utilised	March 31, 2023		
					Net Deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
MAT credit entitlement	228	(13)	–	(2)	**213**	**213**	**–**
Net deferred tax assets/ (Liabilities)	545	15	18	(2)	**576**	**908**	**(332)**
Net deferred tax assets/ (Liabilities) (USD in million) Supplementary information- convenience translation (See Note 2(C))	66	2	2	–	**70**	**110**	**(40)**

Particulars	Net balance April 01, 2021	Recognised in profit or loss	Recognised in Other Comprehensive Income	March 31, 2022		
				Net Deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Deferred tax asset/(liabilities)						
Property, Plant and Equipment	(297)	(17)	–	(314)	–	(314)
Unabsorbed losses	219	104	–	323	323	–
Unrealised profit on inventory/ assets	92	47	–	139	139	–
Employee benefits	12	(2)	5	15	15	–
Income/ expenses deferred for tax	22	36	–	58	58	–
Additional tax benefit due to change in tax laws	49	1	–	50	50	–
Allowance for credit loss	30	(3)	–	27	27	–
Lease arrangement	11	9	–	20	20	–
Loans and Borrowings	(1)	(1)	–	(2)	–	(2)
Other items	(4)	5	–	1	1	–
Deferred tax assets/ (Liabilities)	133	179	5	317	633	(316)
MAT credit entitlement	237	(9)	–	228	228	–
Net deferred tax assets/ (Liabilities)	370	170	5	545	861	(316)
Net deferred tax assets/ (Liabilities) (USD in million) Supplementary information- convenience translation (See Note 2(C))	50	22	1	72	114	(42)

Notes:

i) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

MAT credit balance as on March 31, 2023 amounts to ₹ 213 crore (Previous year: ₹ 228 crore). Based on future business prospects and, actions taken to implement the Group's business strategies including expected monetisation of assets, it is probable that the said MAT credit and business loss will be availed in future years against the normal tax expected to be paid in those years.

ii) Significant management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred tax assets will be recovered.

iii) Given that the Company does not have any intention to dispose the land on an individual basis, hence deferred tax asset on the indexation benefit on land has not been recognised.

iv) Deferred tax liabilities have not been recognised for taxable temporary differences arising on investments in subsidiaries where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

v) Aggregate temporary differences and carried forward tax losses for which the Company has not created deferred tax amounted to ₹ 455 crore (Previous year - ₹ 142 crore). These tax losses are available for set off against future taxable profits over next 8 years.

vi) Carried forward tax losses

Tax losses for which the Company does not recognised deferred tax asset expire as follows.

Particulars (₹ in crore)	Expiring within 5 years	Expiring within 6-8 years	Total
Losses for which no deferred tax is recognised	–	313	313

vii) Aggregate temporary differences and carried forward tax losses for which Wockhardt Holding Corp. ("WHC"), a subsidiary of the Group, has not created deferred tax amounted to ₹ 344 crore (Previous year - ₹ Nil).

viii) Carried forward tax losses

Tax losses for which Wockhardt Holding Corp. ("WHC"), a subsidiary of the Group, does not recognised deferred tax asset expire as follows.

Particulars (₹ in crore)	Never Expire	Expiring between 2025-2036	Total
Losses for which no deferred tax is recognised	122	59	181

10. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Capital Advances	12	1	10	1
Security Deposits (Refer note 10.1 below)	15	2	16	2
Other advances (Refer note 10.2 below)	80	10	77	10
Total	**107**	**13**	103	13

The above amounts are net of provision amounting ₹ 7 crore (Previous year - ₹ 7 crore)

Note 10.1

Includes balances with Government and Semi-Government authorities amounting ₹ 12 crore (Previous year - ₹ 14 crore)

Note 10.2

Includes balances with Government authorities amounting ₹ 76 crore (Previous year - ₹ 76 crore)

11. INVENTORIES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Raw Materials, packing materials and components	231	28	262	35
Goods-in-transit	2	–	3	–
	233	28	265	35
Work-in-progress	54	7	49	6
Stock-in-trade	105	13	100	13
Finished goods (Including Goods-in-transit of ₹ 4 crore (Previous year: ₹ Nil)	155	19	249	33
Stores and spares	111	14	106	14
Total	**658**	**80**	769	101

Notes:

a) Inventories are valued at cost or net realizable value, whichever is lower.

b) Write down of inventories to net realisable value, and provision of slow moving and non moving items for the year ₹ (9) crore (Previous year: ₹ 6 crore). These have been recognised as an expense during the year and these provisions are included in cost of materials consumed or changes in inventory of finished goods, work-in-progress and stock-in-trade.

This reversal is on account of reversal of provision created earlier on certain inventories considered as non-moving/slow moving.

12. CURRENT FINANCIAL ASSETS-TRADE RECEIVABLES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Unsecured, considered good	803	98	932	123
Less: Allowance for expected credit loss	(6)	(1)	(14)	(2)
Total	797	97	918	121
Unsecured credit impaired	107	13	99	13
Less: Allowance for expected credit loss	(107)	(13)	(99)	(13)
Total	–	–	–	–
Total	797	97	918	121

Notes:

12.1 Trade receivables include dues from private companies in which any director is a director or a member ₹ 6 crore (Previous year: ₹ 4 crore). [Also refer note 43 for information about credit risk and market risk of trade receivables].

12.2 The Group sold with recourse trade receivables to a bank for cash proceeds. These trade receivables have not been derecognised from the balance sheet, because the Group retains substantially all of the risks and rewards – primarily credit risk. The amount received on transfer has been recognised as a secured bank borrowings (Refer Note 21).

The following information shows the carrying amount of net trade receivables at the reporting date that have been transferred but have not been derecognised.

	As at March 31, 2023 ₹ in crore
Carrying amount of net trade receivable transferred to bank	55

12.3 Trade Receivables ageing schedule

Particulars	As at March 31, 2023						
	Not Due ₹ in crore	Less than 6 months ₹ in crore	6 Months-1 year ₹ in crore	1-2 years ₹ in crore	2-3 years ₹ in crore	More than 3 years ₹ in crore	Total ₹ in crore
(i) Undisputed Trade receivables – considered good	327	360	36	20	21	39	803
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	26	–	81	107
	327	360	36	46	21	120	910
Less: Allowance for expected credit loss* *Not due during the year ₹ 0.23 crore	(0)	(1)	(3)	(26)	(2)	(81)	(113)
Total	327	359	33	20	19	39	797

Particulars	As at March 31, 2022						
	Not Due ₹ in crore	Less than 6 months ₹ in crore	6 Months-1 year ₹ in crore	1-2 years ₹ in crore	2-3 years ₹ in crore	More than 3 years ₹ in crore	Total ₹ in crore
(i) Undisputed Trade receivables – considered good	573	202	48	53	34	22	932
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	99	99
	573	202	48	53	34	121	1,031
Less: Allowance for expected credit loss	(1)	(3)	(1)	(2)	(7)	(99)	(113)
Total	572	199	47	51	27	22	918

13.1 CURRENT FINANCIAL ASSETS-CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Bank balances				
In current accounts	**90**	**11**	370	49
Cash on hand*	**–**	**–**	0	–
* ₹ Nil (Previous year - ₹ 0.09 crore)				
	90	**11**	370	49

13.2 CURRENT FINANCIAL ASSETS-OTHER BANK BALANCES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million
In current accounts (balances subject to restrictions under Business transfer agreement and NCDs)* * ₹ 0.01 crore in current year	**0**	**–**	3	–
Deposits with original maturity of less than 3 months (under lien/balances subject to restrictions under Business transfer agreement and NCDs)	**1**	**–**	5	1
Deposits with original maturity of more than 3 months but less than 12 months (under lien)	**18**	**2**	12	2
Deposits with original maturity equal to 12 months (under lien)	**8**	**1**	1	–
Deposits with original maturity of more than 12 months (under lien)	**4**	**–**	11	1
Margin money (under lien)	**3**	**–**	4	1
Unpaid dividend accounts*	**0**	**–**	0	–
* ₹ 0.50 crore (Previous year - ₹ 0.50 crore)				
Total	**34**	**4**	36	5

14. CURRENT FINANCIAL ASSETS-OTHERS

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Deposits and other receivables	**26**	**3**	12	2
Total	**26**	**3**	12	2

15. OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Advances to suppliers (Refer note 15.1 below)	**68**	**8**	73	10
Balances with / receivable from statutory / government authorities	**172**	**21**	175	23
Contract assets (Refer note 15.3 below)	**–**	**–**	50	6
Other advances (Refer note 15.2 below)	**69**	**8**	42	6
Total	**309**	**38**	340	45

Note 15.1

Advances to suppliers include dues from private companies in which any director is a director or a member ₹ 3 crore (Previous year: ₹ 1 crore).

Note 15.2

Other advances includes inventory of Saleable goods ₹ 1 crore (Previous year: ₹ 1 crore).

Further the above balances are net of provisions amounting ₹ 25 crore (Previous year- ₹ 25 crore).

Note 15.3

During the previous year, the Company has incurred ₹ 50 crore for contract assets. The Customer is yet to fulfill its contractual obligations and commitments. Though, the Company is pursuing various options and taking necessary actions related to this matter, given the uncertainty, Company has provided for this contract assets during the year and has disclosed it as 'Exceptional items'.

16. EQUITY SHARE CAPITAL

(a) Authorised share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹ in crore	USD in million	₹ in crore	USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
250,000,000 (Previous Year - 250,000,000) Equity shares of ₹ 5/- each	**125**	**15**	125	16
	125	**15**	125	16

(b) Issued, Subscribed and Paid up

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	₹ in crore	USD in million	No. of Shares	₹ in crore	USD in million
			Supplementary information-convenience translation (See Note 2(C))			Supplementary information-convenience translation (See Note 2(C))
Equity :						
Outstanding as at the beginning of the year	**144,060,153**	72	9	110,781,153	55	7
Add: Shares issued during the year on rights basis	**–**	–	–	33,244,650	17	2
Add: Shares issued during the year pursuant to ESOS*	**28,170**	0	–	34,350	0	–
* ₹ 0.01 crore (Previous year- ₹ 0.02 crore)						
Outstanding as at the end of the year	**144,088,323**	72	9	144,060,153	72	9

a) During the previous year, in accordance with provisions of the Companies Act, 2013 and other related laws, the Company had offered its shareholders to subscribe to a right issue of 33,244,650 equity shares at an issue price of ₹ 225 per share. The issue was fully subscribed.

Details of utilization of proceeds from Right issue is as follows:

Purpose of Utilization	Current year ₹ in crore	Previous year ₹ in crore
Loan repayment	**90**	**500**
General Corporate purpose	**99**	**55**
	189	**555**
Amount parked in bank account as on the balance sheet date (after adjusting right issue expenses)	–	189

b) The Company has only one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

c) **Shares reserved for issue under options:**

293,455 (Previous year - 362,225) equity shares of face value ₹ 5 each have been reserved for issue under Wockhardt Stock Option Scheme -2011.

d) **Details of equity shares held by each shareholders holding more than 5% of total equity shares:**

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.*	**69,544,744**	**48.27%**	77,344,744	53.69%

* includes 55,943,000 Equity Shares (Previous year - 42,167,000) pledged

e) Details of equity shares held by Promoters:

Name of the Promoter	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Habil Khorakiwala	**597,286**	**0.41%**	597,286	0.41%	–
Themisto Trustee Company Private Limited on behalf of Humuza Consultants	**69,544,744**	**48.27%**	77,344,744	53.69%	-10.08%
Themisto Trustee Company Private Limited on behalf of Habil Khorakiwala Trust	**130,000**	**0.09%**	2,990,000	2.08%	-95.65%
Murtaza Habil Khorakiwala	**294,060**	**0.20%**	294,060	0.20%	–
Huzaifa Habil Khorakiwala	**280,800**	**0.19%**	280,800	0.19%	–
Nafisa Habil Khorakiwala	**5,565**	**0.004%**	3,432	0.002%	62.15%
Miqdad H Khorakiwala	**2,340**	**0.002%**	2,340	0.002%	–
Callirhoe Trustee Company Private Limited on behalf of Lysithea Discretionary Trust	**936,751**	**0.65%**	936,751	0.65%	–
Callirhoe Trustee Company Private Limited on behalf of Lysithea Consultants	**4,160,000**	**2.89%**	4,160,000	2.89%	–
Pasithee Trustee Company Private Limited on behalf of HNZ Discretionary Trust	**650,000**	**0.45%**	650,000	0.45%	–
Pasithee Trustee Company Private Limited on behalf of HNZ Consultants	**4,420,000**	**3.07%**	4,420,000	3.07%	–
Ananke Trustee Company Private Limited on behalf of Amalthea Discretionary Trust	**274,530**	**0.19%**	874,530	0.61%	-68.61%
Ananke Trustee Company Private Limited on behalf of Amalthea Consultants	**4,160,000**	**2.89%**	4,160,000	2.89%	–
	85,456,076	**59.31%**	96,713,943	67.13%	

Name of the Promoters	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Habil Khorakiwala	**597,286**	**0.41%**	459,451	0.41%	30.00%
Themisto Trustee Company Private Limited on behalf of Humuza Consultants	**77,344,744**	**53.69%**	60,495,957	54.61%	27.85%
Themisto Trustee Company Private Limited on behalf of Habil Khorakiwala Trust	**2,990,000**	**2.08%**	4,400,000	3.97%	-32.05%
Murtaza Habil Khorakiwala	**294,060**	**0.20%**	226,200	0.20%	30.00%
Huzaifa Habil Khorakiwala	**280,800**	**0.19%**	216,000	0.19%	30.00%
Nafisa Habil Khorakiwala	**3,432**	**0.002%**	2,640	0.002%	30.00%
Miqdad H Khorakiwala	**2,340**	**0.002%**	1,800	0.002%	30.00%
Callirhoe Trustee Company Private Limited on behalf of Lysithea Discretionary Trust	**936,751**	**0.65%**	1,320,578	1.19%	-29.07%
Callirhoe Trustee Company Private Limited on behalf of Lysithea Consultants	**4,160,000**	**2.89%**	3,200,000	2.89%	30.00%
Pasithee Trustee Company Private Limited on behalf of HNZ Discretionary Trust	**650,000**	**0.45%**	1,500,000	1.35%	-56.67%
Pasithee Trustee Company Private Limited on behalf of HNZ Consultants	**4,420,000**	**3.07%**	3,400,000	3.07%	30.00%
Ananke Trustee Company Private Limited on behalf of Amalthea Discretionary Trust	**874,530**	**0.61%**	1,472,716	1.33%	-40.62%
Ananke Trustee Company Private Limited on behalf of Amalthea Consultants	**4,160,000**	**2.89%**	3,200,000	2.89%	30.00%
	96,713,943	**67.13%**	79,895,342	72.12%	

17. NON-CURRENT FINANCIAL LIABILITY-BORROWINGS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Secured				
Term loans				
from banks / financial institutions (Refer Note 17.1 to 17.3 below)	**222**	**27**	260	34
	222	**27**	260	34
Unsecured				
Non-convertible debentures (Refer note 17.4 below)	**–**	**–**	49	6
Loans from Department of Science and Technology, Government of India ['GOI'] (Refer note 17.5 below)	**2**	**–**	2	–
Others term loan (Refer note 17.6 below)	**–**	**–**	44	6
Total	**224**	**27**	355	46

Note 17.1

The term loan of USD Nil (Previous year - USD 10 million) amounting to ₹ Nil (Previous year - ₹ 76 crore) was secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than plants at Kadaiya in Daman. This term loan carried interest rate of 6 months USD LIBOR plus 325 BPS p.a. and is fully repaid and the charge created has been released.

Note 17.2

The term loan of ₹ Nil (Previous year - ₹ 50 crore) from IDBI Bank was secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than plants at Kadaiya in Daman. This term loan carried interest rate at Bank Base Rate plus 75 BPS p.a. and is fully repaid and the Company is in the process of releasing the charge created on the fixed assets (present and future, located at all locations other than plants at Kadaiya, Daman) of the Company for the IDBI loan based on the "No Dues certificate' received.

The term loan of ₹ Nil (Previous year - ₹ 45 crore) from Bank of Maharashtra ('BOM') was secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than plants at Kadaiya in Daman.This term loan carried interest rate at One Year's MCLR plus 185 BPS p.a and is fully repaid and the charge created has been released.

The term loan of ₹ 50 crore (Previous year - ₹ 90 crore) from Bank of Baroda ('BOB') is secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than plants at Kadaiya in Daman. This term loan carries interest rate at One Year's MCLR plus 185 BPS and is repayable in 5 equal quarterly instalments by June 2024.

Note 17.3

Term Loan availed by Pinewood Laboratories Limited of Euro 26.25 million (Previous year: Euro 29.75 million) amounting to ₹ 235 crore (Previous year: ₹ 251 crore) is secured by:

(i) First Ranking fixed and floating charge over all the present and future assets and undertakings of Pinewood Laboratories Limited.

(ii) First Ranking charge over ordinary shares of Pinewood Laboratories Limited and other investments held by Wockpharma Ireland Limited.

The loan carries an interest of 3 months EURIBOR + Cash Margin 7% p.a. (3 months EURIBOR floor of 0.50%).

Further, Pinewood Laboratories Limited had availed a loan of Euro 3 million (Previous year: Euro 4 million) amounting to ₹ 27 crore (Previous year: ₹ 34 crore) secured as mentioned above in (i) and (ii) and carries an interest of 3 months EURIBOR + Cash Margin 10% p.a. (3 months EURIBOR floor of 0.50%).

The revised repayment schedule as confirmed by the lender subsequent to the year end is as follows: Euro 4.5 million payable per annum (payable quarterly), starting from June 30, 2023 and an additional installment of Euro 3 million payable by December 2024.

The Company and the lender are working to finalise the revised loan facility documentation.

Note 17.4

25,000 (Previous year - 25,000), 13.75% (Previous year- 11.75%) Unsecured Non-Convertible Debentures of 90,000 each aggregating ₹ 225 crore are repayable at par as per below repayment schedule:

Redemption on	No. of debentures
Octerber, 2024	**1,334**
June, 2024	**1,833**
May, 2024	**4,722**
April, 2024	**2,833**
December, 2023	**9,167**
June, 2023	**5,111**

Put/Call option:

Put/Call option for 5,000 debentures (alloted in October 2021) will vest in June 15, 2023, and each date falling at the expiry of 6 months thereafter. For the balance 20,000 debentures (alloted in April/May 2021), the Put/Call option has vested in December 15, 2022, and each date falling at the expiry of 6 months thereafter.

Further, the above Non-Convertible Debentures are secured against pledge of 19,875,000 equity shares of the Company held by Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

Also these debentures are also secured by way of

a) first ranking charge/hypothecation of movable assets (all present and future rights) and paripassu with the exisitng lenders/charge holders of movable assets

b) first ranking and exclusive charge/hypothecation of escrow accounts and Cash top -Up account, and monies lying therein including DSRA (all present and future rights).

Note 17.5

Loans from GOI carry interest rate of 3% p.a. Loan amounting to ₹ 2 crore (Previous year- ₹ 3 crore) is repayable in equal annual instalments by March 2029.

Note 17.6

Loan others consists ₹ 35 crore (Previous year - ₹ 50 crore) loan from Arka Fincap Limited carrying interest rate of 12.50% (Previous year- 11.75%) p.a. repayable in June 2023

The above loan has been secured against pledge of 3,502,000 equity shares of the Company held by Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

Also the aforesaid loan are also secured by way of

a) first ranking charge/hypothecation of movable assets (all present and future rights) and paripassu with the exisitng lenders/charge holders of movable assets.

b) first ranking and exclusive charge/hypothecation of fixed deposit - ISRA accounts and Cash top -Up account, and monies lying therein.

Note 17.7

Current maturities of the above borrowings have been disclosed under Note 21.

18. NON-CURRENT FINANCIAL LIABILITY-OTHERS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million
		Supplementary information- convenience translation (See Note 2(C))		Supplementary information- convenience translation (See Note 2(C))
Payable for claims [Refer note 39 (ii) and note 23]	–	–	152	20
Total	–	–	152	20

19. NON-CURRENT LIABILITY-OTHERS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million
		Supplementary information- convenience translation (See Note 2(C))		Supplementary information- convenience translation (See Note 2(C))
Deferred revenue	78	9	–	–
Total	78	9	–	–

20. PROVISIONS (NON-CURRENT)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Provision for employee benefits (Refer note 37)				
Leave encashment (unfunded)	**9**	**1**	11	1
Gratuity (unfunded)	**17**	**2**	21	3
Total	**26**	**3**	32	4

21. CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars		As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million
			Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
(a)	**Secured**				
	Working capital facilities from banks (Refer Note 21.1 below)	**492**	**60**	450	59
	Buyers' credit/ Supplier's credit (Refer Note 21.2 below)	**16**	**2**	10	1
	Purchase financing (Refer Note 21.3 below)	**19**	**2**	–	–
	Trade Receivables financing (Refer Note 21.4 below)	**15**	**2**	–	–
(b)	**Unsecured**				
	Loan from related party (Refer Note 21.6 below and Refer Note 40)	**788**	**96**	574	76
(c)	**Current maturities of long-term debt (Refer note 17)**	**333**	**41**	473	62
	Total	**1,663**	**202**	1,507	198

Note 21.1

Working capital facilities from Banks are secured by way of :

(i) First charge on pari passu basis on present and future stock of raw materials, consumables, spares, semi-finished goods, finished goods, book debts and other current assets.

(ii) Second charge on pari passu basis on immovable properties and movable fixed assets, both present and future, located at all locations (other than plants at Kadaiya in Daman).

Note 21.2

Buyers' credit/ Supplier's Credit are secured by way of first pari passu charge on the entire current assets and second pari passu charge on all fixed assets located at all locations other than Units at Kadaiya in Daman.

Note 21.3

Purchase financing from financial institution is secured against unconditional and irrevocable Bank Guarantees that stands as guarantee under this facility.

Note 21.4

Trade receivable financing is secured against the book debts, present and future, with carrying amount of ₹ 55 crores.

Note 21.5

Refer note 12 to 14 for carrying amount of current financial assets on which charge has been created.

Note 21.6

Loans from related parties carrying interest rate in the range of 6.05 % p.a to 15.10 % p a with a tenure of 1 year and subject to rollover by mutual consent. Subsequent to March 31, 2023, the terms of borrowings of ₹ 600 crores from related parties, which were current have been revised and now the repayment tenure for such borrowings have been extended to March 31, 2025 with an option to the Company to further renew the loan basis Company's assessment of cash flows and liquidity position on that date.

22. CURRENT FINANCIAL LIABILITY-TRADE PAYABLES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Trade payables	**867**	**105**	921	123
Total	**867**	**105**	921	123
The carrying amount of trade payables as at reporting date approximates fair value				

Note:

Trade Payables ageing schedule

Particulars	As at March 31, 2023					
	Not Due** ₹ in crore	Less than 1 Year ₹ in crore	1- 2 Years ₹ in crore	2- 3 Years ₹ in crore	More than 3 Years ₹ in crore	Total ₹ in crore
Undisputed outstanding dues of creditors*	**160**	**557**	**51**	**71**	**28**	**867**
Total	**160**	**557**	**51**	**71**	**28**	**867**

* Above includes dues of MSMED companies having place of business in India for ₹ 33 crore

** Trade payables includes accrued expenses.

Particulars	As at March 31, 2022					
	Not due** ₹ in crore	Less than 1 Year ₹ in crore	1- 2 Years ₹ in crore	2- 3 Years ₹ in crore	More than 3 Years ₹ in crore	Total ₹ in crore
Undisputed outstanding dues of creditors*	116	714	31	33	27	921
Total	116	714	31	33	27	921

* Above includes dues of MSMED companies having place of business in India for ₹ 45 crore

** Trade payables includes accrued expenses.

23. CURRENT FINANCIAL LIABILITY-OTHERS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Unpaid dividends*	–	–	–	–
* ₹ 0.50 crore (Previous year- ₹ 0.50 crore)				
Other payables				
Security deposits	**13**	**2**	14	2
Employee liabilities	**52**	**6**	66	9
Payable for capital goods	**81**	**10**	96	13
Payable for claims [Refer note 39 (ii)]	**175**	**21**	65	9
Others liabilities	**321**	**39**	313	41
Total	**642**	**78**	554	74

24. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Payable for statutory dues	53	6	33	4
Advance received from customers against supplies	66	8	51	7
Deferred revenue	7	1	17	2
Total	126	15	101	13

25. PROVISIONS (CURRENT)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Provision for employee benefits (Refer note 37)				
Leave Encashment (unfunded)	5	1	5	1
Gratuity (unfunded)/ Pension and other benefits	8	1	8	1
	13	2	13	2
Other provisions				
Provision for sales return (Refer note 25.1 below)	21	3	17	2
Provision for medicaid rebates (Refer note 25.2 below)	10	1	7	1
Total	44	5	37	5
Note 25.1				
Movement of provision for sales return				
Opening Balance	17	2	23	3
Recognised during the year	26	3	37	5
Utilised during the year	(23)	(3)	(44)	(6)
Foreign currency translation	1	–	1	–
Closing Balance	21	3	17	2

Provision has been recognised for expected sales return on date expiry of products sold during 2-3 years.

Note 25.2				
Movement of provision for Medicaid rebates				
Opening Balance	7	1	24	3
Recognised during the year	28	3	91	12
Utilised during the year	(25)	(3)	(109)	(14)
Foreign currency translation	–	–	1	–
Closing Balance	10	1	7	1

Provision for Medicaid Rebate made based on the past trend of expected settlements of these claims in the future.

26. REVENUE FROM OPERATIONS (REFER NOTE 33)

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Sale of products	**2,561**	**312**	3,138	414
Sale of services	**11**	**1**	3	–
Sale of intellectual property	**74**	**9**	69	9
Other operating income - export incentives/ cost recovery	**5**	**1**	20	3
Total	**2,651**	**322**	3,230	426

27. OTHER INCOME

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Interest income	**4**	**–**	6	1
Dividend received*	**0**	**–**	0	–
* ₹ 0.0014 crore (Previous year- ₹ 0.0014 crore)				
Exchange fluctuation gain, net	**80**	**10**	11	1
Other non-operating income (Refer note below)	**38**	**5**	3	–
Total	**122**	**15**	20	2

Note:

Other non-operating income includes:

(a) Liabilities no longer required written back of ₹ 3 crore (Previous year : ₹ 2 crore).

(b) Profit on sale of properties ₹ 29 crore (Previous year- ₹ Nil)

28. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Opening Inventories				
Finished goods	**249**	**30**	297	39
Stock in trade	**100**	**12**	143	19
Work-in-progress	**49**	**6**	45	6
Add: Inventory for Saleable Returns	**1**	**–**	1	–
Total	**399**	**49**	486	64
Closing Inventories				
Finished goods	**155**	**19**	249	33
Stock in trade	**105**	**13**	100	13
Work-in-progress	**54**	**7**	49	6
Add: Inventory for Saleable Returns	**1**	**–**	1	–
Total	**315**	**38**	399	52
Decrease in Inventories	**84**	**10**	87	12

29. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Salaries and wages (Refer note 37)	550	67	641	85
Contribution to provident and other funds (Refer note 37)	60	7	70	9
Share based payments to employees (Refer note 38)	1	–	1	–
Staff welfare expenses	26	3	37	5
Total	637	77	749	99

30. FINANCE COSTS

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Interest expense				
On term loan	44	5	77	10
On lease liabilities	28	3	31	4
Others	219	27	181	24
Other borrowing costs	11	1	17	2
Net loss on foreign currency transactions and translation*	0	–	0	–
*₹ 0.40 crore (Previous year - ₹ 0.14 crore)				
	302	37	306	40
Less: Finance costs capitalised*	–	–	(7)	(1)
*weighted average capitalisation rate Nil (Previous year : 2.05%)				
Total	302	37	299	39

31. OTHER EXPENSES

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Traveling and conveyance	35	4	28	4
Freight and forwarding charges	61	7	71	9
Sales promotion and other selling cost	45	5	86	11
Commission on sales	28	3	23	3
Power and fuel	103	13	98	13
Stores and spare parts consumed	48	6	61	8
Chemicals	17	2	26	3

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Rent and amenity charges (Refer note 35)	34	4	31	4
Rates and taxes	12	1	16	2
Repairs to buildings	4	–	6	1
Repairs to Plant and machinery	19	2	32	4
Repairs and Maintenance - others	38	5	44	6
Insurance	30	4	30	4
Legal and professional fees	80	10	118	16
Directors' sitting fees (Refer note 40)	1	–	1	–
Allowance for expected credit loss/Bad debts provision	22	3	20	3
Miscellaneous expenses	225	27	225	30
Total	**802**	**98**	916	121

32. EARNINGS PER SHARE

The calculations of Earnings per share (EPS) (basic and diluted) are based on the earnings and number of shares as computed below:

Reconciliation of earnings

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Loss attributable to equity holders of the Company	(559)	(68)	(244)	(32)

Reconciliation of number of equity shares

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2022
Weighted average number of shares in calculating Basic EPS	144,064,321		120,560,315	
Add: Weighted average number of shares under ESOS	241,372		404,692	
Earnings per share (face value ₹ 5/- each)				
Earnings per share - Basic in ₹/ USD	(38.79)	(0.47)	(20.24)	(0.27)
Earnings per share - Diluted in ₹/ USD	(38.79)	(0.47)	(20.24)	(0.27)

Basic and diluted earnings per share for the year ended March 31, 2022 have been adjusted appropriately for the bonus element in respect of rights issue made during previous year.

33. REVENUE :

a) As per Ind AS 115: "Revenue from Contracts with Customers", the Group has classified its Revenue as :

- Sale of products and services: Revenue is recognised when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control over the promised goods and/or services to the customer. This transfer of control is generally at a point of time of shipment to or receipt of products by the customer or when the services are performed. The amount of revenue to be recognised is based on the consideration the Group expects to receive in exchange for its goods/services. If the contract contains more than one obligation, the consideration is allocated based on the standalone selling price of each performance obligation.

  Rebates, discounts, commissions, chargeback and bonuses (including cash discounts offered to customers for prompt payment) are provisioned and recorded as deduction from revenue at the time the related revenue is recorded. These rebates are calculated based on the historical experience and the specific terms in individual agreements. Sales returns are recognised and recorded as deductions based on historical experience of customer returns and such other relevant factors.

- Sale of intellectual property, Assignment of New Chemical Entity and Outlicensing fees: Revenue is recognised when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control to the customer taking into consideration the specific terms of the agreement and when the risk of reversal of revenue recognition is remote.

  There is no significant financing component as the credit period provided by the Group is not significant.

  Variable components such as discounts, chargeback, sales returns etc. continues to be recognised as deductions from revenue in compliance with Ind AS 115.

b) Disaggregation of Revenue from operations:

Particulars (for details refer note 26)	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Total revenue from Customers	**2,646**	**321**	3,210	423
Other Operating income	**5**	**1**	20	3
Total	**2,651**	**322**	3,230	426

Reconciliation of revenue from operations as per contract price and as recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Total Gross revenue, net of estimated returns and medicate rebate	**4,268**	**519**	5,112	674
Less: Discounts, rebates, chargeback and other adjustments	**(1,622)**	**(197)**	(1,902)	(251)
Revenue from contract with customers	**2,646**	**322**	3,210	423
Other Operating income	**5**	**1**	20	3
Total	**2,651**	**322**	3,230	426

34. SEGMENT REPORTING

The Group is primarily engaged in pharmaceutical business which is considered as the only reportable business segment.

The Chief operating decision makers monitor the operating results of its pharmaceutical business as a whole for the purpose of making decisions about resource allocation and performance assessment.

Information about reportable segments:

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
External revenue in the above reportable business segment	**2,651**	**322**	3,230	426

Information about geographical areas:

a) Revenue from external customers:

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
India	**609**	**74**	661	87
USA	**303**	**37**	342	45
Europe	**1184**	**143**	1,615	213
Rest of the world	**555**	**68**	612	81
Total	**2,651**	**322**	3,230	426

Revenue in different geographical areas is based on ultimate utilisation of product

b) Non current assets excluding assets classified as held for sale (other than financial instruments, deferred tax assets and non-current tax assets)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
India	**2,233**	**272**	2,027	267
USA	**99**	**12**	375	49
Europe	**2,053**	**250**	2,230	294
Rest of the world	**303**	**37**	275	36
Total	**4,688**	**571**	4,907	646

c) Information about major customer:

There are no major customers contributing to more than 10% of the total revenue.

35. LEASES

Lease liability as on the balance sheet date is as follows:

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Non-current portion	**226**	267
Current	**71**	69
Total	**297**	336

The weighted average incremental borrowing rate used for discounting is in the range of 3.37% to 9.65 %

Refer Note 30 for interest on lease liabilities

Also refer Note 4 for details of Right-of-Use Assets and Depreciation there on.

The summary of practical expedients elected on initial application are as follows

The Group has availed the exemption of not recognising right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

The Group's lease asset classes primarily consist of leases for land and buildings .The leases for land/buildings are generally for a period ranging 10 years to 99 years. These leases can be extended for further 10 years to 99 years by mutual consent. Office premises are generally for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms.There are no restrictions imposed by lease arrangements or contingent rent payable. Certain portion of the land has been subleased.

In case of land that have been leased out for 95 years to 99 years, there are no material annual payments for the aforesaid leases.

Rental expenses on leases for a period of less than 12 months amounting to ₹ 0.88 crore (Previous year : ₹ 1.41 crore) and rent for low value assets amounting to ₹ 0.14 crore (Previous year : ₹ 0.46 crore) have been included under Note 31 - Other expenses under Rent and amenity charges.

Further, Refer Note 43 for maturity profile of lease liabilities.

36. EXPENDITURE ON RESEARCH AND DEVELOPMENT

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Capital*	132	16	158	21
Revenue	141	17	143	19
Total	**273**	**33**	301	40

* Including intangible assets under development and excluding foreign currency translation reserve on intangible assets under development.

37. EMPLOYEE BENEFITS

Defined benefit plans -

Gratuity liability is provided in accordance with the provisions of the Payment of Gratuity Act, 1972 based on actuarial valuation. The plan provides a lump sum gratuity payment to eligible employee at retirement ,termination of their employment or death of the employee. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(A) Particulars	As at March 31, 2023 Gratuity (Non-funded) ₹ in crore	As at March 31, 2022 Gratuity (Non-funded) ₹ in crore
I. Expenses recognised in Profit or Loss:		
1. Current Service Cost	2	3
2. Interest cost	2	1
Total Expenses	**4**	4
II. Expenses recognised in Other Comprehensive income:		
1. Actuarial changes arising from changes in demographic assumptions*	0	–
* ₹ 0.23 crore in current year		
2. Actuarial changes arising from changes in financial assumptions	(3)	(1)
3. Actuarial changes arising from changes in experience adjustments	(1)	2
Total Expenses	**(4)**	1
III. Net Asset /(Liability) recognised as at balance sheet date:		
1. Present value of defined benefit obligation	25	30
Net Asset/(Liability)	(25)	(30)
IV. Reconciliation of Net Asset / (Liability) recognised as at balance sheet date:		
1. Net Asset/(Liability) at the beginning of year	(30)	(28)
2. Expense as per (I) & (II) above	–	(5)
3. Benefit paid	5	3
4. Net asset/(liability) at the end of the year	(25)	(30)
V. Maturity profile of defined benefit obligation		
1. Within the next 12 months (next annual reporting period)	8	8
2. Between 2 and 5 years	14	16
3. Between 6 and 10 years	8	9
4. Weighted average duration (years)	4	4
VI. Quantitative sensitivity analysis for significant assumptions is as below:		
1. Increase/(decrease) on present value of defined benefit obligation at the end of the year		
(i) 0.5 percent point increase in discount rate	(0.39)	(0.51)

(A) Particulars	As at March 31, 2023 Gratuity (Non-funded) ₹ in crore	As at March 31, 2022 Gratuity (Non-funded) ₹ in crore
(ii) 0.5 percent point decrease in discount rate	**0.41**	0.53
(iii) 0.5 percent point increase in rate of salary increase	**0.41**	0.51
(iv) 0.5 percent point decrease in rate of salary increase	**(0.40)**	(0.51)
(v) 10 percent point increase in attrition rate	**0.30**	0.16
(vi) 10 percent point decrease in attrition rate	**(0.33)**	(0.19)
2. Sensitivity analysis method		
Sensitivity analysis is determined based on the expected movement in liability by varying a single parameter while keeping all the other parameters unchanged.		
VII. Actuarial Assumptions:		
1. Discount rate	**7.30%**	6.20%
2. Expected rate of salary increase	**1% p.a**	3% p.a
3. Attrition rate	**40% at lower service reducing to 15% at higher service**	35% at lower service reducing to 16% at higher service
4. Mortality	Age 20 years- 0.09%; Age 30 years- 0.10%; Age 40 years- 0.17% Age 50 years- 0.44% Age 60 years- 1.12%	Age 20 years- 0.09%; Age 30 years- 0.10%; Age 40 years- 0.17% Age 50 years- 0.44% Age 60 years- 1.12%

(a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 29 under Salaries and wages: Gratuity ₹ 4 Crore (Previous year - ₹ 4 crore) and Leave encashment ₹ 3 crore (Previous year - ₹ 3 crore)

(b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(c) The plan above is typically exposed to actuarial risk such as Mortality risk, withdrawal rate risk and salary risk

- Mortality risk: The present value of the Defined benefit plan liability is calculated by reference to the best estimate of the mortality plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Withdrawal rate risk: The plan faces the withdrawal rate risk. If the actual withdrawal rate is higher, the benefits would be paid earlier than expected.
- Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(B) Defined contribution plan

The Company makes contributions towards provident fund and superannuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Amount recognised as an expense in the Statement of Profit and Loss - included in Note 29 - Contribution to provident and other funds:

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Provident fund	**12**	12
Others (Employee State insurance and other funds)	**2**	2
Total	**14**	14

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(II) Defined contribution plans (In respect of CP Pharmaceuticals Limited, Wockhardt UK Limited and Pinewood Laboratories Limited)

During the year, the Group operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to ₹ 11 crore (Previous year : ₹ 13 crore). The outstanding pensions creditor is ₹ 2 crore (Previous year : ₹ 2 crore).

Defined benefit plans of CP Pharmaceuticals Limited:

The company operates a funded defined pension scheme. The assets of the scheme are held separately from those of the company.

The scheme closed to new entrants at the end of February 2004 and all pension accruals ceased on that date. The current service costs will increase as members approach retirement.

The trustees of the pension schemes are required by law to act in the interest of the fund and of all relevant stakeholders in the scheme and are responsible for the investment policy with regard to the assets of the schemes and all other governance matters. The board of trustees must be composed 50% representatives of the Company and plan participants in accordance with the plan's regulations.

Through its defined benefit plans, the company is exposed to equity price risks, changes in bond yields, inflation risks and risks arising due to changes in life expectancy.

The Balance Sheet net defined benefit liability is determined as follows:

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Present value of defined benefit obligations	(326)	(448)
Fair value of plan assets	507	536
Total	181	88
Less: Restriction to the amount that can be recognised	(181)	(88)
Total	–	–

Changes in the present value of the defined benefit obligations are as follows:

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Defined benefit obligation, beginning of the year	448	473
Interest expense	11	9
Benefits paid	(10)	(9)
Remeasurements: Actuarial (gains) and losses	(133)	(19)
Past service costs including curtailments		–
Foreign currency translation	10	(6)
Defined benefit obligation, end of the year	326	448

Changes in the fair value of plan assets are as follows:

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Fair value of plan assets, beginning of the year	536	505
Interest income	14	10
Benefits paid	(10)	(9)
Contributions by employer	13	23
Remeasurements: Actuarial gains and losses	(58)	14
Foreign currency translation	12	(7)
Fair value of plan assets, end of the year	507	536

The total costs for the year in relation to defined benefit plans are as follows:

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Recognised in profit or loss:		
Net interest/ (income) expense	**(3)**	(1)
	(3)	(1)
Recognised in other comprehensive income:		
Remeasurements actuarial gains and losses on fair value of plan asset	**58**	(14)
Remeasurements actuarial gains and losses on define benefit obligation	**(133)**	(19)
Remeasurements gains and losses- changes to the restriction on the amount that can be recognised.	**91**	57
Remeasurement of the net defined benefit plan	**16**	24

The breakup of major categories of plan assets are as follows:

Particulars	As at March 31, 2023 %	As at March 31, 2022 %
Equity instruments	**0**	50.50
Debt instruments	**40.50**	7.60
Annuity policy	**13.40**	15.90
Other assets	**46.10**	26.00

The return on plan assets are as follows:

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Interest income	**14**	10
Remeasurements: Actuarial gains and losses	**(58)**	14
Return on assets of benefit plan	**(44)**	24

The principal actuarial assumptions as at Balance Sheet date were:

Particulars	As at March 31, 2023 %	As at March 31, 2022 %
Discount rate	**4.65**	2.65
Expected rate of increase in salary	**3.30**	3.70
Inflation rate	**2.60**	3.15
Mortality rates		
Current pensioners at 65 - male	**21.60**	21.50
Current pensioners at 65 - female	**24.10**	24.00
Future pensioners at 65 - male	**22.60**	22.50
Future pensioners at 65 - female	**25.20**	25.20

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Quantitative sensitivity analysis for significant assumptions is as below:		
(Increase)/decrease on net defined benefit obligation at the end of the year		
(i) One percent point increase in discount rate	**37**	65
(ii) One percent point decrease in discount rate	**(47)**	(85)
(iii) One percent point increase in inflation rate	**(36)**	(63)
(iv) One percent point decrease in inflation rate	**30**	52

Sensitivity analysis method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

38. SHARE BASED PAYMENTS TO EMPLOYEES

ESOS Compensation Committee of the Board of Directors has, under Wockhardt Stock Option Scheme -2011 ('the Scheme' or 'ESOS') granted 60,000 options @ ₹ 397/- per option (Grant 1), another 60,000 options @ ₹ 365/- per option (Grant 2), 1,420,000 options @ ₹ 5/- per option (Grant 3) , 350,000 options @ ₹ 5/- per option (Grant 4), 8,500 options @ ₹ 5/- per option (Grant 5), 200,000 options @ ₹ 5/- per option (Grant 6), 223,500 options @ ₹ 5/- per option (Grant 7), 76,000 options @ ₹ 5/- per option (Grant 8), 90,750 options @ ₹ 5/- per option (Grant 9) and 19,300 options @ ₹ 5/- per option (Grant 10) in accordance with the provisions of Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014, to the selected employees of the Company and its subsidiaries. The method of settlement is by issue of equity shares to the selected employees who have exercised the options. The scheme shall be administered by ESOS compensation committee of Board of directors.

The options issued vests in periods ranging 1 year to 7 years 6 months from the date of grant, and can be exercised during such period not exceeding 7 years.

Employee stock option activity under Scheme 2011 is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Outstanding at beginning of the year	**362,225**	553,500
b) Granted during the year	**19,300**	90,750
c) Lapsed during the year (re-issuable) *	**59,900**	247,675
d) Exercised during the year (and shares allotted) *	**28,170**	34,350
e) Outstanding at the end of the year :	**293,455**	362,225
of which	**193,855**	245,925
Options vested and exercisable at the end of the year		
* weighted average exercise price ₹ 5 per share		
Range of weighted average share price on the date of exercise per share	**₹ 206- ₹ 224**	₹ 452- ₹ 510
Weighted average share price for the period	**₹ 232**	₹ 466
Range of weighted average fair value of options on the date of grant per share	**₹ 264 - ₹ 967**	₹ 297 - ₹ 967
No option have been forfeited during the year or in the previous year.		

Fair value of the options have been computed as per the Black Scholes Pricing Model

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
The key assumptions used to estimate the fair value of options are :		
Range of stock price at the time of option grant (₹ Per share)	**₹ 269 - ₹ 971**	₹ 301 - ₹ 971
Range of expected life	**1 years - 8 years**	1 years - 8 years
Range of risk free interest rate	**5% -9 %**	4% -9 %
Range of Volatility	**36% - 88%**	36% - 88%
Range of weighted average exercise price (₹ Per share)	**₹ 5**	₹ 5
Range of Weighted average remaining contractual life	**0.01 year - 12 years**	1 year - 12 years

The working of stock prices has been done by taking historical price movement of the closing prices which includes change in price due to dividend, hence dividend is not factored separately. Volatility is based on the movement of stock price on NSE based on the price data for last 12 months upto the grant date.

39. (i) The Company had reassessed the commercial prospects of the Nutrition Business and decided not to pursue it in near future and therefore, the Nutrition Business assets were classified as assets held for disposal (Property, Plant and Equipments) ₹ 144 crore.

Also the Company is in the process of disposing certain land located at Aurangabad and Ankaleshwar amounting ₹ 35 crore, and has accordingly classified the same as 'Asset held for Sale'.

(ii) Persuant to a settlement agreement entered with the State of Texas on February 8, 2022 in regard to Civil Investigative Demand ('CID') with respect to submission of price information and updates to Texas Medicaid programme in US, Wockahrdt USA LLC (WUSA) has agreed to pay USD 36 million and interest over nine instalments between 2022 and 2025. Basis the repyament schedule, during the previous year ended March 31, 2022 WUSA had created provision and presented ₹ 183 crores (charge for the year) based on its present value as an 'Exceptional Item' and paid ₹ 22 crore (USD 3 million).

During the year ended March 31, 2023, the WUSA has agreed for an early payment schedule for the settlement of the liability. Pursuant to this revision, WUSA has recorded an additional cost of ₹11 crores due to unwinding of the discount (basis the original payment schedule) as an 'Exceptional Items'.

Further ₹ 93 crore (USD 11.5 million) has been paid by WUSA during the current year and ₹ 177 crore (USD 21.5 million) is outstanding as on March 31, 2023.

(iii) In view of changed pharmaceutical market situation in USA, the Group has initiated various measures including restructuring its business model in US inter-alia by closing down its manufacturing facility in Illinois from September 2022 and undertaking its business in USA through contract manufacturing the products sold by it in US/ North America by engaging USFDA approved manufacturing partners, meeting the quality standards acceptable to the Group. Accordingly the Group has provided/ incurred loss of ₹ 123 crores w.r.t property , plant and equipment sold/ held for sale, ₹ 17 crores for inventory, ₹ 80 crores for claims incurred/ expected claims from customers and ₹ 13 crores for other costs pursuing to this restructuring and has disclosed these as an 'Exceptional items' for the year ended March 31, 2023.

Further ₹ 115 crores (USD 14 million) w.r.t. land and buildings have been classified as 'Assets held for Sale'.

(iv) The Company had accounted for a contract asset of ₹ 50 crore pursuant to a contract manufacturing agreement. The Customer is yet to fulfill its contractual obligations and commitments. Though, the Company is pursuing various options and taking necessary actions related to this matter, given the uncertainty, the Company has provided for this contract asset and has disclosed it as 'Exceptional items'.

40. RELATED PARTY DISCLOSURES

As per Ind AS 24, the list of Related Parties and disclosure of transactions with these parties are given below:

a) Parties where significant influence/control exits

Other parties exercising control

Humuza Consultants *

* Themisto Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Habil Khorakhiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

Habil Khorakiwala Trust **

** Themisto Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Habil Khorakhiwala Trust.

b) ***Other related party relationships where transactions have taken place during the year***

Enterprises over which Key Managerial Personnel exercise significant influence/control

Palanpur Holdings and Investments Private Limited

Khorakiwala Holdings and Investments Private Limited

Wockhardt Hospitals Limited

Merind Limited

Wockhardt Foundation

Carol Info Services Limited

Dr. Habil Khorakiwala Education and Health Foundation (Trust)-[Wockhardt Global School]

Corival Lifesciences Private Limited

Wockhardt Regenerative Private Limited

Denarius Estate Development Private Limited

Banneret Trading Private Limited

Dartmour Holding Private Limited

Amadou Estate Development Private Limited

Shravan Constructions Private Limited

Holmdene Constructions

Sharanya Chemicals and Pharmaceuticals Private Limited

Khorakiwala Foundation

Themisto Trustee Company Private Limited

Amalthea Consultants#

Ananke Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Amalthea Discretionary Trust (ADT) which in turn holds these shares in its capacity as the partner of the partnership firm Amalthea Consultants.

Genista Trading and Services Private Limited

Ananke Trustee Company Private Limited

Callirhoe Trustee Company Private Limited

HNZ Consultants

HNZ Discretionary trust

Amalthea Discretionary trust

Lysithea Consultants

Lysithea Discretionary trust

Adrastea Trading and Services LLP

HZ Trading and Services LLP

HNZ Trading and Services LLP

Pasithee Trustee Company Private Limited

Megaclite Trading Private Limited

Impala Advisory Services Private Limited

Sinope Advisory Services Private Limited

Step Forward Advisory Services Private Limited

Kendo Advisory Services Private Limited

Lysithea Trading and Services LLP

Helike Trading and Services LLP

Amalthea Trading and Services LLP

Dr. Habil Khorakiwala Education and Health Foundation

Key managerial personnel

Habil Khorakiwala - Chairman

Aman Mehta - Non-Executive Independent Director

D S Brar - Non-Executive Independent Director

Sanjaya Baru - Non-Executive Independent Director

Tasneem Mehta - Non-Executive Independent Director

Vinesh Kumar Jairath - Non-Executive Independent Director

Akhilesh Gupta - Non-Executive Independent Director

Rima Marphatia (Nominee Director from Export-Import Bank of India) ceases to be a Director of the Company w.e.f. August 03, 2022

Huzaifa Khorakiwala - Executive Director

Murtaza Khorakiwala - Managing Director

Zahabiya Khorakiwala - Non-Executive Non- Independent Director

Relatives of Key managerial personnel

N.H. Khorakiwala

Miqdad H Khorakiwala

c) Transactions with related parties during the year:

(All the amounts mentioned below for the disclosure are the contractual amounts based on the arrangement with respective parties)

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information- convenience translation (See Note 2(C))		Supplementary information- convenience translation (See Note 2(C))
Key managerial personnel				
Remuneration [Chairman ₹ 3 crore (Previous year - ₹ 2 crore), Managing Director ₹ 2 crore (Previous year - ₹ 2 crore), Executive Director ₹ 2 crore (Previous year - ₹ 2 crore)]	**7**	**1**	6	1
Contribution to Provident fund [Chairman ₹ 0.42 crore (Previous year - ₹ 0.45 crore), Managing Director ₹ 0.36 crore (Previous year - ₹ 0.42 crore), Executive Director ₹ 0.36 crore (Previous year - ₹ 0.42 crore)]	**1**	**–**	1	–
Director sitting fee paid [D S Brar ₹ 0.17 crore (Previous year - ₹ 0.15 crore), Sanjaya Baru ₹ 0.16 crore (Previous year - ₹ 0.14 crore), Tasneem Mehta ₹ 0.16 crore (Previous year - ₹ 0.14 crore), Aman Mehta ₹ 0.16 crore (Previous year - ₹ 0.14 crore), Vinesh Kumar Jairath ₹ 0.16 crore (Previous year - ₹ 0.15 crore), Zahabiya Khorakiwala ₹ 0.04 crore (Previous year- ₹ 0.06 crore), Rima Marphatia ₹ 0.03 crore (Previous year - ₹ 0.05 crore), Akhilesh Gupta ₹ 0.16 crore (Previous year - ₹ 0.14 crore)]	**1**	**–**	1	–
Proceeds from Right issue of Equity shares [Chairman ₹ Nil (Previous year - ₹ 3 crore), Managing Director ₹ Nil (Previous year - ₹ 2 crore) and Executive Director ₹ Nil (Previous year - ₹ 1 crore)]	**–**	**–**	6	1
Relatives of Key managerial personnel				
Proceeds from Right issue of Equity shares [N.H. Khorakiwala ₹ Nil (Previous year- ₹ 0.02 crore), Miqdad H Khorakiwala ₹ Nil (Previous year- ₹ 0.01 crore)]	**–**	**–**	0	–
Other parties exercising control				
Loan taken from Humuza Consultants	**–**	**–**	177	23
Loan repaid to Humuza Consultants	**–**	**–**	544	72
Interest accrued in previous year, paid during the year on loan from Humuza Consultants	**26**	**3**	–	–
Interest cost on Loan taken from Humuza Consultants	**–**	**–**	41	5
Proceeds from Right issue of Equity shares [Humuza Consultants ₹ Nil (Previous year - ₹ 402 crore) and Habil Khorakiwala Trust ₹ Nil (Previous year - ₹ 15 crore)]	**–**	**–**	417	55
Recovery of Support Service Cost [Humuza Consultants ₹ 0.05 crore (Previous year- ₹ Nil), Habil Khorakiwala Trust ₹ 0.05 crore (Previous year- ₹ Nil)]	**0**	**–**	–	–
Lease rent income [Humuza Consultants ₹ 0.04 crore (Previous year- ₹ Nil), Habil Khorakiwala Trust ₹ 0.04 crore (Previous year- ₹ Nil)]	**0**	**–**	–	–

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Enterprise over which Key Managerial Personnel exercise significant influence/ Control				
Rent paid [Palanpur Holdings and Investments Private Limited ₹ 1 crore (Previous year - ₹ 1 crore), Carol Info Services Limited ₹ 91 crore (Previous year - ₹ 85 crore)]*	**92**	**11**	86	11
* rent paid has been disclosed as Right of use assets and Lease liabilities in accrodance with Ind AS 116				
Donation given to [Wockhardt Foundation ₹ Nil (Previous year- ₹ 0.08 crore), Dr. Habil Khorakiwala Education and Health Foundation ₹ 0.16 crore (Previous year- ₹ Nil)	**0**	**–**	0	–
Reimbursement of Expenses to Carol Info Services Limited	**1**	**–**	1	–
Accruals on account of re-imbursement of costs and use of property	**7**	**1**	–	–
Rent and other miscellaneous income [Wockhardt Hospitals Limited ₹ Nil (Previous year - ₹ 0.01 crore), Wockhardt Foundation ₹ 0.0003 crore (Previous year - ₹ 0.0002 crore), Dr. Habil Khorakiwala Education and Health Foundation (Trust) ₹ 0.002 crore (Previous year - ₹ 0.0006 crore)] Dr. Habil Khorakiwala Education and Health Foundation (Company) ₹ 0.04 crore (Previous year -₹ Nil)	**0**	**–**	0	–
Sale of Finished goods to Wockhardt Hospitals Limited*	**–**	**–**	0	–
* Previous year - ₹ 0.001 crore				–
Sale of Fixed asset to Wockhardt Regenerative Private Limited ₹ Nil (Previous year - ₹ 0.03 crore)	**–**	**–**	0	–
Research and Development services provided to Wockhardt Regenerative Private Limited	**11**	**1**	–	–
Salary paid to the teaching staff of Wockhardt Global School	**3**	**–**	3	–
Recovery of Utility Fees from Wockhardt Global School	**1**	**–**	1	–
The Company has given school premises on lease to Wockhardt Global School without rent.				
Loan taken from [Khorakiwala Holdings and Investments Private Limited ₹ 7 crore (Previous year - ₹ 270 crore), Merind Limited ₹ 17 crore (Previous year - ₹ 15 crore), Amalthea Consultants ₹ 7 crore (Previous year - ₹ 185 crore), Themisto Trustee Company Private Limited ₹ Nil (Previous year - ₹ 214 crore), Ananke Trustee Company Private Limited ₹ 142 crore (Previous year - ₹ 277 crore), Callirhoe Trustee Company Private Limited ₹ 155 crore (Previous year - ₹ 211 crore)]	**328**	**40**	1,172	155
Interest on loan taken [Khorakiwala Holdings and Investments Private Limited ₹ 18 crore (Previous year - ₹ 8 crore), Merind Limited ₹ 6 crore (Previous year - ₹ 7 crore), Amalthea Consultants ₹ 0.22 crore (Previous year - ₹ 8 crore), Themisto Trustee Company Private Limited ₹ 0.001 crore (Previous year - ₹ 4 crore), Ananke Trustee Company Private Limited ₹ 5 crore (Previous year - ₹ 4 crore), Callirhoe Trustee Company Private Limited ₹ 19 crore (Previous year - ₹ 2 crore)]	**48**	**6**	33	4
Loan repaid [Khorakiwala Holdings and Investments Private Limited ₹ 1 crore (Previous year - ₹ 49 crore), Merind Limited ₹ 8 crore (Previous year - ₹ Nil), Amalthea Consultants ₹ 7 crore (Previous year - ₹ 185 crore), Themisto Trustee Company Private Limited ₹ 0.41 crore (Previous year - ₹ 214 crore), Ananke Trustee Company Private Limited ₹ Nil (Previous year - ₹ 277 crore), Callirhoe Trustee Company Private Limited ₹ 100 crore (Previous year - ₹ 34 crore)]	**116**	**14**	759	100
Payment of Accrued interest [Amalthea Consultants ₹ 7 crore (Previous year - ₹ Nil), Themisto Trustee Company Private Limited ₹ 4 crore (Previous year- ₹ Nil); Ananke Trustee Company Private Limited ₹ 4 crore (Previous year- ₹ Nil)	**15**	**2**	–	–
Lease rent income [Khorakiwala Holdings and Investments Private Limited ₹1 crore (Previous year - ₹ Nil), Merind Limited ₹ 1 crore (Previous year - ₹ Nil), Amalthea Consultants ₹ 0.04 crore (Previous year -₹ Nil), Themisto Trustee Company Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Ananke Trustee Company Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Callirhoe Trustee Company Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Denarius Estate Deveopment Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Adrastea Trading and Services LLP ₹ 0.04 crore (Previous year - ₹ Nil), Lysithea Consultants ₹ 0.04 crore (Previous year - ₹ Nil), Lysithea Discretionary Trust ₹ 0.04 crore (Previous year - ₹ Nil) , Banneret Trading Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), HZ Trading and Services LLP ₹ 0.04 crore (Previous year - ₹ Nil), HNZ Discretionary Trust ₹ 0.04 crore (Previous year - ₹ Nil), Dartmour Holdings Private Limited ₹ 0.04 crore (Previous year - ₹ Nil),	**4**	**1**	–	–

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million
		Supplementary information-convenience translation (See Note 2(C))		Supplementary information-convenience translation (See Note 2(C))
Amadou Estate Development Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Shravan Constructions Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Sharanya Chemicals and Pharmaceuticals Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), HNZ Trading Services LLP ₹ 0.04 crore (Previous year - ₹ Nil), HNZ Consultants ₹ 0.04 crore (Previous year - ₹ Nil), Khorakiwala Foundation ₹ 0.04 crore (Previous year - ₹ Nil), Pasithee Trustee Company Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Megaclite Trading Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Genista Trading and Services Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Impala Advisory Services Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Sinope Advisory Services Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Step Forward Advisory Services Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Kendo Advisory Services Private Limited ₹ 0.04 crore (Previous year - ₹ Nil), Lysithea Trading and Services LLP ₹ 0.04 crore (Previous year - ₹ Nil), Helike Trading and Services LLP ₹ 0.04 crore (Previous year - ₹ Nil), Amalthea Trading and Services LLP ₹ 0.04 crore (Previous year - ₹ Nil), Amalthea Discretionary Trust ₹ 0.04 crore (Previous year - ₹ Nil), Wockhardt Hospitals Limited ₹ 0.05 crore (Previous year- ₹ Nil), Wockhardt Regenerative Private Limited ₹ 0.02 crore (Previous year- ₹ Nil), Palanpur Holdings and Investments Private Limited ₹ 1 crore (Previous year - ₹ Nil)].				
Recovery of Support Service Cost [Khorakiwala Holdings and Investments Private Limited ₹1 crore (Previous year - ₹ Nil), Merind Limited ₹ 1 crore (Previous year - ₹ Nil), Amalthea Consultants ₹ 0.05 crore (Previous year -₹ Nil), Themisto Trustee Company Private Limited ₹0.05 crore (Previous year - ₹ Nil), Ananke Trustee Company Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Callirhoe Trustee Company Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Denarius Estate Deveopment Private Limited ₹ 0.05 crore (Previous year -₹ Nil), Adrastea Trading and Services LLP ₹ 0.05 crore (Previous year - ₹ Nil), Lysithea Consultants ₹ 0.05 crore (Previous year - ₹ Nil), Lysithea Discretionary Trust ₹ 0.05 crore (Previous year - ₹ Nil) , Banneret Trading Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), HZ Trading and Services LLP ₹ 0.05 crore (Previous year - ₹ Nil), HNZ Discretionary Trust ₹ 0.05 crore (Previous year - ₹ Nil), Dartmour Holdings Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Amadou Estate Development Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Shravan Constructions Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Sharanya Chemicals and Pharmaceuticals Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), HNZ Trading Services LLP ₹ 0.05 crore (Previous year - ₹ Nil), HNZ Consultants ₹ 0.05 crore (Previous year - ₹ Nil), Khorakiwala Foundation ₹ 0.05 crore (Previous year - ₹ Nil), Pasithee Trustee Company Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Megaclite Trading Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Genista Trading and Services Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Impala Advisory Services Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Sinope Advisory Services Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Step Forward Advisory Services Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Kendo Advisory Services Private Limited ₹ 0.05 crore (Previous year - ₹ Nil), Lysithea Trading and Services LLP ₹ 0.05 crore (Previous year - ₹ Nil), Helike Trading and Services LLP ₹ 0.05 crore (Previous year - ₹ Nil), Amalthea Trading and Services LLP ₹ 0.05 crore (Previous year - ₹ Nil), Amalthea Discretionary Trust ₹ 0.05 crore (Previous year - ₹ Nil), Carol Info Services Limited ₹ 2.40 crore (Previous year- ₹ Nil), Wockhardt Hospitals Limited ₹ 0.05 crore (Previous year- ₹ Nil), Wockhardt Regenerative Private Limited ₹ 3.31 crore (Previous year- ₹ Nil) , Palanpur Holdings and Investments Private Limited ₹ 1 crore (Previous year - ₹ Nil), Dr. Habil Khorakiwala Education and Health Foundation ₹ 0.05 crore (Previous year- ₹ Nil)].	**10**	**1**	–	–
Expenses recovery from Holmdene Constructions* * ₹ 0.01 crore in current year	**0**	**–**	–	–
Proceeds from Right issue of Equity shares [Amalthea Consultants ₹ Nil (Previous year- ₹ 22 crore), HNZ Consultants ₹ Nil (Previous year- ₹ 23 crore), HNZ Discretionary trust ₹ Nil (Previous year- ₹ 3 crore), Amalthea Discretionary trust ₹ Nil (Previous year- ₹ 4 crore), Lysithea Consultants ₹ Nil (Previous year- ₹ 22 crore), Lysithea Discretionary trust ₹ Nil (Previous year- ₹ 5 crore)	**–**	**–**	79	10

d) **Related party balances**

(All the amounts mentioned below for the disclosure are the contractual amounts based on the arrangement with respective parties. Where such amounts are different from carrying amounts as per Ind AS financial statements, their carrying values have been separately disclosed in brackets.).

	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information- convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information- convenience translation (See Note 2(C))
Enterprise over which Key Managerial Personnel exercise significant influence/Control				
Trade receivables [Wockhardt Hospitals Limited ₹ 0.26 crore (Previous year - ₹ 0.27 crore), Wockhardt Foundation ₹ 0.01 crore (Previous year - ₹ 0.01 crore), Dr. Habil Khorakiwala Education and Health Foundation (Trust) ₹ 1 crore (Previous year - ₹ 2 crore), Wockhardt Regenerative Private Limited ₹ 1.88 crore (Previous year- ₹ Nil)]	**3**	**–**	2	–
Trade Payables [Wockhardt Hospitals Limited ₹ 1 crore (Previous year - ₹ 1 crore), Carol Info Services Limited ₹ 3 crore (Previous year - ₹ 4 crore), Palanpur Holdings and Investments Private Limited ₹ 5 crore (Previous year - ₹ 4 crore), Merind Limited ₹ 0.01 crore (Previous year - ₹ 0.01 crore)]	**9**	**1**	9	1
Loan taken inlcuding interest [Merind Limited ₹ 110 crore (Previous year - ₹ 96 crore), Khorakiwala Holdings and Investments Private Limited ₹ 281 crore (Previous year- ₹ 258 crore), Amalthea Consultants ₹ Nil (Previous year - ₹ 7 crore), Themisto Trustee Company Private Limited ₹ Nil (Previous year - ₹ 4 crore), Ananke Trustee Company Private Limited ₹ 146 crore (Previous year - ₹ 4 crore), Callirhoe Trustee Company Private Limited ₹ 252 crore (Previous year - ₹ 179 crore)]	**789**	**96**	548	72
Security deposit given to Carol Info Services Limited - Transaction value [Carrying amount ₹ 41 crore (Previous year - ₹ 38 crore)]	**56**	**7**	56	7
Payable to Carol Info Services Limited	**7**	**1**	–	–
Security deposit given to Palanpur Holdings and Investments Private Limited	**3**	**–**	3	–
Other receivables [Khorakiwala Holdings and Investments Private Limited ₹ 2 crore (Previous year - ₹ Nil), Merind Limited ₹ 2 crore (Previous year - ₹ Nil), Amalthea Consultants ₹ 0.10 crore (Previous year -₹ Nil), Themisto Trustee Company Limited ₹0.10 crore (Previous year - ₹ Nil), Ananke Trustee Company Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Callirhoe Trustee Company Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Denarius Estate Deveopment Private Limited ₹ 0.10 crore (Previous year -₹ Nil), Adrastea Trading and Services LLP ₹ 0.10 crore (Previous year - ₹ Nil), Lysithea Consultants ₹ 0.10 crore (Previous year - ₹ Nil), Lysithea Discretionary Trust ₹ 0.10 crore (Previous year - ₹ Nil) , Banneret Trading Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), HZ Trading and Services LLP ₹ 0.10 crore (Previous year - ₹ Nil), HNZ Discretionary Trust ₹ 0.10 crore (Previous year - ₹ Nil), Dartmour Holdings Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Amadou Estate Development Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Shravan Constructions Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Sharanya Chemicals and Pharmaceuticals Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), HNZ Trading Services LLP ₹ 0.10 crore (Previous year - ₹ Nil), HNZ Consultants ₹ 0.10 crore (Previous year - ₹ Nil), Khorakiwala Foundation ₹ 0.10 crore (Previous year - ₹ Nil), Pasithee Trustee Company Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Megaclite Trading Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Genista Trading and Services Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Impala Advisory Services Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Sinope Advisory Services Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Step Forward Advisory Services Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Kendo Advisory Services Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Lysithea Trading and Services LLP ₹ 0.10 crore (Previous year - ₹ Nil), Helike Trading and Services LLP ₹ 0.10 crore (Previous year - ₹ Nil), Amalthea Trading and Services LLP ₹ 0.10 crore (Previous year - ₹ Nil), Amalthea Trading and Services LLP ₹ 0.10 crore (Previous year - ₹ Nil), Amalthea Discretionary Trust ₹ 0.10 crore (Previous year - ₹ Nil), , Wockhardt Hospitals Limited ₹ 0.10 crore (Previous year- ₹ Nil), Wockhardt Regenerative Private Limited ₹ 4 crore (Previous year- ₹ 0.03 crore), Holmdene Constructions ₹ 0.14 crore (Previous year- ₹ Nil), Palanpur Holdings and Investment Private Limited ₹ 2 crore (Previous year- ₹ Nil), Dr. Habil Khorakiwala Education and Health Foundation ₹ 0.10 crore (Previous year- ₹ Nil)] , Pasithee Trustee Company Private Limited ₹ 0.10 crore (Previous year - ₹ Nil), Megaclite Trading Private Limited ₹ 0.10 crore (Previous year- ₹ Nil)	**13**	**2**	0	–
Payable to Key managerial personnel				
Remuneration payable [Chairman ₹ 0.35 crore (Previous year - ₹ Nil), Managing Director ₹ 0.27 crore (Previous year - ₹ Nil), Executive Director ₹ 0.27 crore (Previous year - ₹ Nil)]	**1**	**–**	–	–
Other parties exercising control				
Loan taken - Humuza Consultants	**–**	**–**	26	3
Other Receivables [Humuza Consultants ₹ 0.10 crore (Previous year- ₹ Nil), Habil Khorakiwala Trust ₹ 0.10 crore (Previous year- ₹ Nil)]	**0**	**–**	–	–

41. NON-CONTROLLING INTERESTS

The following table summarises the consolidated financial information relating to the Group's subsidiary that has material non-controlling interests:

Name	Country of incorporation	As at March 31, 2023	As at March 31, 2022
Wockhardt Bio AG	Switzerland	**14.15%**	14.15%

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Revenue from operations	**1715**	**209**	2,210	292
Profit / (Loss) for the year	**(438)**	**(53)**	(247)	(33)
Profit / (Loss) allocated to Non - Controlling Interests	**(62)**	**(8)**	(35)	(5)
Total comprehensive income / (loss) allocated to Non - Controlling Interests	**(45)**	**(5)**	(30)	(4)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	As at March 31, 2022 ₹ in crore	As at March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Non current asset and current asset	**3,650**	**444**	5,034	664
Non current liabilities and current liabilities	**1,473**	**179**	2,540	335
Net assets	**2,177**	**265**	2,494	329
Net assets attributable to Non - Controlling Interests	**308**	**37**	353	47

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2023 USD in million Supplementary information-convenience translation (See Note 2(C))	For the year ended March 31, 2022 ₹ in crore	For the year ended March 31, 2022 USD in million Supplementary information-convenience translation (See Note 2(C))
Cash flows from operating activities	**1**	**–**	700	92
Cash flows used in investing activities	**(9)**	**(1)**	(44)	(6)
Cash flows used in financing activities	**(138)**	**(17)**	(570)	(75)
Foreign currency translation differences	**–**	**–**	(46)	(6)
Net increase/ (decrease) in cash and cash equivalents	**(146)**	**(18)**	40	5

The Group has control of 85.85% in the Wockhardt Bio AG and its subsidiaries.

42. FINANCIAL INSTRUMENTS - FAIR VALUES

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2023	Carrying Value		Fair value
	Fair value through profit or loss ₹ in crore	Amortised Cost ₹ in crore	Significant observable inputs (Level 2) ₹ in crore
Financial Assets			
Investments*	0	–	0
* Fair value through profit or loss ₹ 0.45 crore			
Other Non-Current Financial Assets	–	64	67
Trade receivables	–	797	
Cash and cash equivalents	–	90	
Bank balance (other than above)	–	34	
Other Current Financial Assets	–	26	
Total	**0**	**1,011**	**67**
Total (USD in million) Supplementary information- convenience translation (See Note 2(C))	0	123	
Financial Liabilities			
Borrowings	–	1,887	
Trade payables	–	867	
Lease Liabilities	–	297	300
Other Current Financial Liabilities	–	642	
Total	**–**	**3,693**	**300**
Total (USD in million) Supplementary information- convenience translation (See Note 2(C))	–	448	

As at March 31, 2022	Carrying Value		Fair value
	Fair value through profit or loss ₹ in crore	Amortised Cost ₹ in crore	Significant observable inputs (Level 2) ₹ in crore
Financial Assets			
Investments*	0	–	0
* Fair value through profit or loss ₹ 0.45 crore			
Other Non-Current Financial Assets	–	62	71
Trade receivables	–	918	
Cash and cash equivalents	–	370	
Bank balance (other than above)	–	36	
Other Current Financial Assets	–	12	
Total	**0**	**1,398**	**71**
Total (USD in million) Supplementary information - convenience translation (See Note 2(C))	0	185	
Financial Liabilities			
Borrowings	–	1,862	
Other Non- Current Financial Liabilities	–	152	
Trade payables	–	921	
Lease Liabilities	–	336	351
Other Current Financial Liabilities	–	554	
Total	**–**	**3,825**	**351**
Total (USD in million) Supplementary information - convenience translation (See Note 2(C))	–	505	

B. Measurement of fair values:

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

– The fair values of the loans taken from banks and other parties are estimated by discounting cash flows using rates currently available for debt/instruments on similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value.

– The change in the unobservable inputs for unquoted Investment of Narmada Clean Tech Limited (formerly known as Bharuch Eco-Aqua Infrastructure Limited) and Bharuch Enviro Infrastructure Limited do not have a significant impact in its value.

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Security deposits against lease and lease laibilities	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

43. FINANCIAL RISK MANAGEMENT

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

- Credit risk;
- Liquidity risk; and
- Market risk

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's Risk Management Framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives.

The Company has laid down the procedure for risk assessment and their mitigation through a Risk Management Committee comprising Executive Director, Managing Director, Independent Director and Chief Financial Officer as its members. Key risks and their mitigation arising out of periodic reviews by the Committee are assessed and reported to the Board of Directors, on a periodic basis.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to policies and procedures.

The Company has a co-sourced model of independent Internal Audit and assurance function. There is a practice of reviewing various key select risks and report to Audit Committee from time to time. The co-sourced internal audit function carry out internal audit reviews in accordance with the approved internal audit plan and reviews the status of implementation of internal audit and assurance recommendations. Summary of Critical observations, if any, and recommendations under implementation are reported to the Audit Committee.

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred and expected losses in respect of trade and other receivables.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

As at March 31, 2023 and March 31, 2022, the Group did not have any significant concentration of credit risk with any external customers.

Expected credit loss assessment for customers as at 31 March 2023 and 31 March 2022:

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Gross carrying amount ₹ in crore	Less: Expected credit losses ₹ in crore	Net carrying amount ₹ in crore	Weighted average loss rate	Gross carrying amount ₹ in crore	Less: Expected credit losses ₹ in crore	Net carrying amount ₹ in crore	Weighted average loss rate
Not due	**327**	**(0)**	**327**	**0.07%**	573	(1)	572	0.17%
Past due 1-180 days	**360**	**(1)**	**359**	**0.28%**	202	(3)	199	1.49%
Past due 181-360 days	**36**	**(3)**	**33**	**8.33%**	48	(1)	47	2.08%
More than 360 days	**187**	**(109)**	**78**	**58.11%**	208	(108)	100	51.92%
Total	**910**	**(113)**	**797**		1,031	(113)	918	
Total (USD in million) Supplementary information - convenience translation (See Note 2(C))	**111**	**(14)**	**97**		136	(15)	121	

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:

	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Opening balance	**113**	157
Impairment loss provided/ reversed/ utilized, net (including exchange fluctuation)*	**–**	(44)
Closing balance	**113**	113
Closing balance (USD in million) Supplementary information - convenience translation (See Note 2(C))	**14**	15

* During the current year, the Group has created a provision of ₹ 26 crore and reversed/ utilised the provsion of ₹ 29 crore. Further there is an increase of ₹ 3 crore due to exchange fluctuation.

The Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Cash and bank balances

The Group held cash and bank balances of ₹ 124 crore (Previous year - ₹ 406 crore). These balances are held with bank and financial institution counterparties with good credit rating.

Others

Other than trade receivables reported above , the Group has no other financial assets that is past due but not impaired.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities .The Group monitors the net liquidity position through forecasts on the basis of expected cash flows.

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets to manage short of current assets to current liabilities. The Group invests its surplus funds in bank fixed deposit. Of the current liabilties, ₹ 788 crore pertains to loan received from Related parties. These parties have reaffirmed their commitment and confirmed that they will not recall the loans provided to the Group, unless the Group confirms that it has adequate surplus liquidity available and the related parties have confirmed to provide required financial support to the Group to repay the liabilities of the Group.

Subsequent to March 31, 2023, the terms of borrowings of ₹ 600 crores from related parties, which were current have been revised and now the repayment tenure for such borrowings have been extended to March 31, 2025 with an option to the Company to further renew the loan basis Company's assessment of cash flows and liquidity position on that date.

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

(₹ in crore)

As at March 31, 2023		Contractual cash flows			
	Carrying amount	Total	0-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings (other than loan from related party)*	1,099	1,211	835	341	35
Loan from related party	788	788	788	–	–
Lease Liabilities	297	363	76	262	25
Trade payables and other financial liabilities	1,509	1,509	1,509	–	–
Total	**3,693**	**3,871**	**3,208**	**603**	**60**

As at March 31, 2022		Contractual cash flows			
	Carrying amount	Total	0-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings (other than loan from related party)*	1,288	1,423	1,007	415	1
Loan from related party	574	574	574	–	–
Lease Liabilities	336	426	74	315	37
Trade payables and other financial liabilities	1,627	1,721	1,484	237	–
Total	3,825	4,144	3,139	967	38

* It includes contractual interest payment over the tenure of the Borrowings. These floating-interest borrowings are based on interest rate prevailing as at the reporting date.

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other prices such as equity price. These will affect the Groups's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Financial instruments affected by market risk include loans, borrowings and deposits. The Market risk the Group is exposed can be classified as Currency risk and Interest rate risk.

(a) Currency risk:

The Group is exposed to currency risk on account of its operations in other countries. The functional currency of the Group is Indian Rupee. The Foreign currency exchange rate exposure is balanced through natural hedge. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Group has not entered into any derivative contracts during the current and previous year.

Exposure to currency risk

The currency profile of financial assets and financial liabilities (including intercompany receivables and payables) as at March 31, 2023 and March 31, 2022 are as below:

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Amount in Foreign Currency (in million)	₹ in crore	Amount in Foreign Currency (in million)	₹ in crore
Loan Availed	USD	3	21	11	86
Trade Receivables	AUD*	1	4	0	0
	AED*	0	0	0	0
	EUR	2	19	6	49
	GBP	15	150	15	152
	USD	30	250	126	958
	RUB	54	6	201	18
	MXN	65	29	65	25
Loans and Other Receivables	EUR	2	22	–	–
	USD	11	87	10	79
	CHF*	0	0	0	0
	GBP	8	77	0	2
	AED*	0	0	–	–
Trade payables and Other Liabilities	ACU*	0	0	0	0
	AUD*	0	0	1	5
	EUR	5	43	22	188
	GBP	11	108	28	279
	MXN	13	6	13	5
	USD	29	240	38	287
	JPY*	–	–	1	0
	CAD*	–	–	0	0
	CHF	2	14	2	15
	AED	–	–	1	1
	SEK*	0	0	0	0
	RUB	108	11	141	13
Bank	GBP	0	5	3	26
	EUR	0	4	2	16
	USD*	0	0	1	5
	AED*	0	0	0	0
	CHF	0	3	0	3
	AUD*	0	0	0	0

* less than ₹ 0.50 crore

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currency at March 31 would have affected the measurement of financial instruments denominated in that 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 of forecast sales and purchases.

(₹ in crore)

Effect in ₹ March 31, 2023	Profit or loss before tax Gain/(Loss)		Equity, gross of tax Increase/ (Decrease)	
	Strengthening	Weakening	Strengthening	Weakening
5% movement				
USD	**4**	**(4)**	**4**	**(4)**
GBP	**6**	**(6)**	**6**	**(6)**
EUR*	**–**	**–**	**–**	**–**
*₹ 0.12 crore, ₹ (0.12) crore, ₹ 0.12 crore, ₹ (0.12) crore respectively				
RUB*	**–**	**–**	**–**	**–**
*₹ (0.28) crore, ₹ 0.28 crore, ₹ (0.28) crore, ₹ 0.28 crore respectively				
MXN	**1**	**(1)**	**1**	**(1)**
Others	**–**	**–**	**–**	**–**
*₹ (0.34) crore, ₹ 0.34 crore, ₹ (0.34) crore, ₹ 0.34 crore respectively				
Total	**11**	**(11)**	**11**	**(11)**

(₹ in crore)

Effect in ₹ March 31, 2022	Profit or loss before tax Gain/(Loss)		Equity, gross of tax Increase/(Decrease)	
	Strengthening	Weakening	Strengthening	Weakening
5% movement				
USD	36	(36)	34	(34)
GBP	(5)	5	(5)	5
EUR	(6)	6	(6)	6
RUB*	–	–	–	–
*₹ 0.28 crore, ₹ (0.28) crore, ₹ 0.28 crore, ₹ (0.28) crore respectively				
MXN	1	(1)	1	(1)
Others	(1)	1	(1)	1
Total	25	(25)	23	(23)

The Company had received advances for supply of goods from Wockhardt Bio AG, a majorly held foreign subsidiary of the Company, of which USD 88 million had been outstanding as at March 31, 2022. In accordance with the direction of Reserve Bank of India (RBI) / Authorised Dealer (AD) Bank, such advances were supposed to be adjusted only against supply of goods by the Company. Accordingly, this advance amount received was accounted at the historical transaction exchange rate in accordance with Ind AS 21- "The Effects of Changes in Foreign Exchange Rates"

The Company, as part of normal business, has also been providing services including but not limited to R&D services and assignment of rights over its new chemical entities (NCE) to the aforesaid foreign subsidiary and has outstanding receivables of USD 114 million.

Since the Company has not been able to supply the goods, the Company has received an approval from RBI/ AD on March 11, 2023, for adjustment of the aforesaid advance with these outstanding receivables and accordingly the receivables have been adjusted with the advance. Given that these receivables and advance liabilities are eliminated on consolidation, this settlement does not have any impact on the consolidated financial statements for the current year.

The Company has other overdue receivables from Wockhardt Bio AG amounting to ₹ 114 crore, including ₹ 75 crore for guarantee fees receivable. Also the Company has outstanding payable amounting to ₹ 203 crore beyond the period permitted under Master circular issued by Reserve bank of India. The Company expects to receive and pay these overdue balances by FY 2023-24

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

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

(₹ in crore)

Particulars	Nominal amount	
	As at March 31, 2023	As at March 31, 2022
Variable-rate instruments		
Financial liabilities	**828**	983
	828	983
Fixed-rate instruments		
Financial liabilities	**1,059**	879
	1,059	879

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crore)

Variable-rate instruments	Impact on Profit/(loss)- Increase/(Decrease) in Profit before tax	
Particulars	**For the year ended March 31, 2023**	For the year ended March 31, 2022
100 bp increase	**(8)**	(10)
100 bp decrease	**8**	10

44. CAPITAL MANAGEMENT

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group.

The Group determines the amount of capital required on the basis of annual and long-term strategic plans. The Group's policy is aimed at combination of short-term and long-term borrowings.

The Group monitors the capital structure on the basis of 'adjusted net debt' to 'adjusted equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings excluding lease liabilities under Ind AS 116, less cash and cash equivalents, Bank balance and current investments. Adjusted equity comprises Total equity.

The following table summarises the capital of the Group:

(₹ in crore)

	As at March 31, 2023	As at March 31, 2022
Total Borrowings	**1,887**	1,862
Less: Cash and cash equivalent and other bank balances	**124**	406
Adjusted net debt	**1,763**	1,456
Total equity	**3,662**	4,202
Adjusted equity	**3,662**	4,202
Adjusted net debt to adjusted equity ratio	**0.48**	0.35

Total equity includes gain on revaluation of land considered as a part of retained earnings in accordance with the requirements of Ind AS 101 on transition to Ind AS. Such Revaluation gain balance as on March 31, 2023 is ₹ 180 crore (Previous year: ₹ 188 crore) and is not available for distribution as dividend.

45. a) The Group's New Chemical Entity ('NCE') research program continued to progress in their Clinical Trials during the Financial Year 2022-23. Development Expenses incurred during the year ₹ 116 crores (Previous Year : ₹ 149 crores) has been capitalised and included under 'Intangible assets under development' as at March 31, 2023.

b) Certain manufacturing facilities, having net book value of ₹ 417 crore (Previous year - ₹ 556 crore) and capital work-in-progress amounting to ₹ 48 crore (Previous year - ₹ Nil), of the Group are having low utilisation of assets and the Group is evaluating various alternate purposes of these assets.

c) (i) The Company or its subsidiary companies incorporated in India has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities with the understanding that the Intermediary shall:

(a) 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 its subsidiary companies incorporated in India or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company or its subsidiary companies incorporated in India has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company or its subsidiary companies incorporated in India shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46. CONTINGENT LIABILITIES (claims not acknowledged as debts) AND COMMITMENTS (to the extent not provided for)

(a) Demands by Central Excise authorities in respect of Classification/ Valuation/ Cenvat Credit related disputes; stay orders have been obtained by the Company in case of demands ₹ 45 crore (Previous year - ₹ 45 crore).(1)

(b) Demand by Income tax authorities ₹ 416 crore (Previous year - ₹ 413 crore) disputed by the Company.

(c) Demand by Sales Tax authorities (including GST) ₹ 96 crore (Previous year - ₹ 95 crore) disputed by the Company.(1)

(d) Demand by Service tax authorities in respect of non-payment of Service Tax on Import of certain services disputed by the Company ₹ 3 crore (Previous year - ₹ 1 crore).

(e) Demand by Municipal Corporation, Local body Tax on inputs used for manufacture of exported goods ₹ 3 crore (Previous year: ₹ 3 crore).

(f) Differential custom duty for misclassification/ penalty disputed by the Company ₹ 0.26 crore (Previous year - ₹ 1 crore).

(g) Differential MEIS for misclassification disputed by the Company ₹ 9 crore (Previous year - ₹ 9 crore).

(h) Others matters:

- electricity expense ₹ 8 crore (Previous year - ₹ 8 crore)
- remediation against the pollution of ground water ₹ 1 crore (Previous year - ₹ 1 crore)
- environmental compensation against non-compliance of water/air pollution measures ₹ Nil (Previous year : ₹ 2 crore)
- compensation for products ordered and not purchased, under dispute ₹ 19 crore (Previous year - ₹ Nil)

(i) Demand from National Pharmaceutical Pricing Authority (NPPA) in respect of overcharging of certain products disputed by the Company ₹ 103 crore (Previous year - ₹ 96 crore).

(j) The Group is involved in other disputes, lawsuits, claims, inquiries and proceedings including commercial matters that arise from time to time in the ordinary course of business. The Group believes that there are no such pending matters that are expected to have any material adverse effect on its financial statements in any given accounting period. One of the subsidiary in USA has been a party in some class action suits for pricing by the Government and other private parties, against various pharmaceutical companies, wholesalers etc. The amount is not quantifiable at this stage. Based on the view of the external legal counsel, the Group believe that while it is premature to predict the outcome of the litigation, the Group has meritorious defenses and will be defending its actions vigorously.

(k) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 163 crore (Previous year - ₹ 166 crore) after deducting advance on capital account of ₹ 9 crore (Previous year - ₹ 8 crore).

(l) The customers had levied Service Level Penalties on the Group on account of significant delays in supply of goods to them. The disputed claims against these customers is ₹ 15 crore (USD 1.8 million) [Previous year - ₹ 29 crore (USD 3.80 million)].

(1) Note: Amounts mentioned excludes interest after the date of the order, if any.

47. RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF LIABILITIES ARISING FROM FINANCING ACTIVITIES:

Particulars	As at March 31, 2023	As at April 01, 2022	Non cash changes		Reclassi-fication	Other items considered separately	Cash flows-inflow/ (Outflow)
			Exchange fluctuation	Other non cash adjustments			
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Long-term borrowings (Net)	523	794	17	2	–	–	(290)
Short-term borrowings (Net)	1,364	1,068	–	–	–	3	293
Lease Liabilities	297	336	–	34	–	–	(73)

Particulars	As at March 31, 2022	As at April 01, 2021	Non cash changes		Reclassi-fication	Other items considered separately#	Cash flows-inflow/ (Outflow)
			Exchange fluctuation	Other non cash adjustments			
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Long-term borrowings (Net)	794	1,266	9	19	–	–	(500)
Short-term borrowings (Net)*	1,068	1,066	–	1	–	56	(55)
Lease Liabilities	336	342	–	65	–	–	(71)

* Non cash changes on account of exchange fluctuation ₹ (0.21) crore

Includes reclassification of interest accrued

48. ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of total comprehensive income	₹ in crore
Parent								
Wockhardt Limited	31.89	1,753	52.34	(466)	(44.44)	4	51.37	(462)
SUBSIDIARIES								
Indian								
1. Wockhardt Infrastructure Development Limited	4.49	247	(1.12)	10	–	–	(1.11)	10
2. Wockhardt Medicines Limited #	–	(0)	0.01	(0)	–	–	0.01	(0)
3. Wockhardt Biologics Limited #	–	(0)	–	(0)	–	–	–	(0)
Foreign								
1. Z&Z Services GmbH	(0.04)	(2)	–	(0)	–	–	–	(0)
2. Wockhardt Europe Limited	0.18	10	–	–	–	–	–	–
3. Wockhardt Nigeria Limited	–	(0)	–	–	–	–	–	–
4. Wockhardt UK Holdings Limited	1.91	105	–	–	–	–	–	–
5. CP Pharmaceuticals Limited	7.42	408	(0.79)	7	144.44	(13)	0.67	(6)
6. CP Pharma (Schweiz) AG	0.02	1	–	(0)	–	–	–	(0)
7. Wallis Group Limited	0.53	29	–	–	–	–	–	–
8. The Wallis Laboratory Limited	(0.04)	(2)	–	–	–	–	–	–
9. Wockhardt Farmaceutica do Brasil Ltda	(0.04)	(2)	0.02	(0)	–	–	0.02	(0)
10. Wallis Licensing Limited	(0.20)	(11)	–	–	–	–	–	–
11. Wockhardt USA LLC	(4.82)	(265)	15.50	(138)	–	–	15.35	(138)
12. Wockhardt Bio AG	40.75	2,239	23.82	(212)	–	–	23.58	(212)
13. Wockhardt UK Limited	3.29	181	(1.12)	10	–	–	(1.11)	10
14. Wockpharma Ireland Limited	14.94	821	–	(0)	–	–	–	(0)
15. Pinewood Laboratories Limited	6.53	359	(2.70)	24	–	–	(2.67)	24
16. Wockhardt Holding Corp	3.27	180	0.45	(4)	–	–	0.44	(4)
17. Morton Grove Pharmaceuticals Inc	4.86	267	14.60	(130)	–	–	14.46	(130)
18. MGP Inc	0.75	41	(0.34)	3	–	–	(0.33)	3
19. Wockhardt France (Holdings) S.A.S	(13.68)	(752)	0.45	(4)	–	–	0.44	(4)
20. Laboratoires Pharma 2000 S.A.S (upto September 26, 2022)	–	–	–	–	–	–	–	–
21. Laboratoires Negma S.A.S	(0.15)	(8)	0.34	(3)	–	–	0.33	(3)
22. Niverpharma S.A.S (upto September 26, 2022)	–	–	–	–	–	–	–	–
23. Negma Beneulex S.A (upto September 23, 2022)	–	–	–	–	–	–	–	–
24. Phytex S.A.S (upto September 26, 2022)	–	–	–	–	–	–	–	–
25. Wockhardt Farmaceutica SA DE CV	(2.55)	(140)	–	–	–	–	–	–
26. Wockhardt Services SA DE CV	(0.04)	(2)	–	–	–	–	–	–
27. Pinewood Healthcare Limited	–	(0)	0.01	(0)	–	–	0.01	(0)
28. Wockhardt Bio (R) LLC	0.69	38	(1.46)	13	–	–	(1.45)	13
29. Wockhardt Bio Pty Ltd	0.04	2	(0.01)	0	–	–	(0.01)	0
30. Wockhardt Bio Ltd #	–	–	–	–	–	–	–	–
Sub Total	**100.00**	**5,497**	**100.00**	**(890)**	**100.00**	**(9)**	**100.00**	**(899)**
Add / (Less): Effect of Inter Company elimination/ adjustment		(1,835)		269		87		356
Non-controlling interests in all subsidiaries		(308)		62		(17)		45
Total	**100.00**	**3,354**	**100.00**	**(559)**	**100.00**	**61**	**100.00**	**(498)**

The above amount/percentage of net assets and net profit or (loss) in respect of Wockhardt Ltd and its subsidiaries are determined based on the amounts of the respective entities included in consolidated financial statements before intercompany eliminations/ consolidated adjustment

\# Wockhardt Bio Ltd, Wockhardt Biologics Limited and Wockhardt Medicines Limited is yet to commence the business.

0 represents less than ₹ 0.50 crore

49. There are no other significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

Deepak Madnani
Chief Financial Officer

Debashis Dey
Company Secretary

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

Huzaifa Khorakiwala
Executive Director
DIN: 02191870

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Zahabiya Khorakiwala
Non Executive Director
DIN: 00102689

Aman Mehta
DIN: 00009364

Sanjaya Baru
DIN: 05344208

Vinesh Kumar Jairath
DIN: 00391684

Akhilesh Gupta
DIN: 00359325

Directors

INDEPENDENT AUDITORS' REPORT

To the Members of Wockhardt Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Wockhardt Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Refer note 3(j) of accounting policy and note 39 in standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Company recognises revenue from sale of goods when control over the goods is transferred to the customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sale contracts entered into with customers. Revenue is a key performance indicator of the Company and there is risk of overstatement of revenue due to fraud resulting from pressure to achieve targets, earning expectations or incentive schemes linked to performance. Given the risk of overstatement of revenue due to fraud, this is a key audit matter.	Our audit procedures included the following: • We have assessed the Company's accounting policies relating to revenue recognition by comparing with applicable accounting standards. • We have evaluated the design, implementation and operating effectiveness of the Company's key internal control over revenue recognition. • We have examined the samples, selected using statistical sampling, of revenue recorded during the year with the underlying documentation. • We have performed cut off procedures by selecting samples, using statistical sampling, of revenue recorded as at the period end. • We have examined the manual journals posted to revenue during the year to identify unusual or irregular items. • We have assessed the adequacy of the disclosures made in respect of revenue from sale of goods.

Assessment of recoverability of carrying value of certain Property, Plant and Equipment and Capital Work in progress

Refer note 3(d) and 3(q) of accounting policy and note 4 and 48(a) in standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
Certain property, plant and equipment of the Company is affected by lower capacity utilization. Further, the Company has made investments in certain projects which has been deferred. These are lying in capital work in progress. The Company's investment in these facilities was made considering market feasibility and potential of existing / future products. As at 31 March 2023, carrying value of such Property, Plant and Equipment and Capital Work in Progress amounts to ₹ 417 Crores and ₹ 48 Crores respectively. Further as on 31 March 2023, Company has assets held for sale having a carrying value of ₹ 179 Crores. Given the significance of carrying value and judgement involved in assessing the recoverability of such facilities this is considered to be a key audit matter.	Our audit procedures included the following: We have assessed the Company's accounting policies relating to impairment by comparing with applicable accounting standards. • We have verified the reports of physical verification of property, plant and equipment and capital work in progress by the Company. • We have assessed the capabilities and objectivity of the experts (internal and external) used by the Company in the process of verification of assets, assessing the usability of assets and determining recoverable amounts, where required. • We have evaluated the basis applied by the Company in determining cash generating unit for impairment testing purpose. • We have challenged the significant assumptions considered by the Company while making impairment assessment with respect to revenue forecast, margin and discount rate. • We have involved our valuation specialists to assess the valuation methodologies applied by the Company to determine the recoverable amount for certain assets.

Recoverability of carrying value of Intangible assets under development

Refer note 3(b) of accounting policy and note 5 in standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Company has acquired intangible under development amounting ₹ 767 Crores as at 31 March 2023. These acquired intangible under development is in relation to the New Chemical Entities (NCE). The carrying value of such intangible under development is tested for recoverability, based on the estimates future cash flows, market conditions, progress in development etc. Changes in these assumptions could lead to an impairment to the carrying value of these intangible under development. Given the significance of the amount involved and the estimates and judgement involved in assessment of their recoverability, this is considered to be a key audit matter.	Our audit procedures included the following: We have assessed the Company's accounting policies relating to intangible under development by comparing with applicable accounting standards. • We have inquired the progress made on NCE development with the key managerial personnel. • We have inspected the correspondences with regulatory authorities, third parties, scientific documentation and other information provided by the Company. • We have evaluated the Company's assessment of estimated future cash flows relating to the NCE project and their recoverability plans. • We have assessed the capabilities and objectivity of the external expert used by the Company in determining the fair value of the NCE under development. • We have involved our valuation specialists to assess the valuation methodologies applied by the Company to determine the recoverable amount for the NCE. • We have tested, on a sample basis, the project related expenditure with underlying documents.

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 auditor's report(s) thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 01 April 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company 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 Auditors) 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 2023 on its financial position in its standalone financial statements - Refer Note 44 to the standalone financial statements.

    b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

    c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

    d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 48(b) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 48(b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e) The Company has neither declared nor paid any dividend during the year.

f) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

(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
Firm's Registration No. 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399
ICAI UDIN: 23112399BGXWIR7051

Place : Mumbai
Date : 26 May 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF WOCKHARDT LIMITED FOR THE YEAR ENDED 31 MARCH 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of 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.

(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. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (INR in crs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company
Freehold land	0.31	Mr. Habil Khorakiwala	Promoter & Director	19	The Company is in the process of transferring the assets 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 the 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 except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account (INR in crores)	Amount as reported in the quarterly return/ statement (INR in crores)	Amount of difference (INR in crores)	Whether return/ statement subsequently rectified
June - 2022	-State Bank of India -ICICI Bank Limited -Punjab National Bank -IDBI Bank Limited -Bank of Baroda	Trade Payables	200.17	190.08	10.09	No
September - 2022	-State Bank of India -ICICI Bank Limited -Punjab National Bank -IDBI Bank Limited -Bank of Baroda	Trade Payables	165.01	176.13	(11.12)	No
December - 2022	-State Bank of India -ICICI Bank Limited -Punjab National Bank -IDBI Bank Limited -Bank of Barod	Trade Payables	145.60	166.87	(21.27)	No

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF WOCKHARDT LIMITED FOR THE YEAR ENDED 31 MARCH 2023

(iii) 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 guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") 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.

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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in a few cases of Provident fund.

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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other material statutory dues were in arrears as at 31 March 2023 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, details of dues of Income-Tax, Sales Tax, Service Tax, Duty of Excise, Goods and Services Tax, Customs Duty and Value added tax which have not been deposited as at 31 March 2023 on account of disputes are given in Annexure I to this report.

(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) Loans (including interest) amounting to INR 788 Crs are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not yet been demanded for repayment during the relevant financial year. In respect of other loans and borrowings and interest thereon, 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 any other loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, as at 31 March 2023, we report that the funds raised on short term basis of ₹ 226 Crores have been used for long term purpose. However, subsequent to 31 March 2023, the repayment tenure of such short term loans was extended till 31 March 2025.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF WOCKHARDT LIMITED FOR THE YEAR ENDED 31 MARCH 2023

(e) According to the information and explanations given to us and on an overall examination of the standalone 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, associates or joint ventures 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, joint ventures or associate companies (as defined under the Act).

(x) (a) In our opinion and according to the explanation given to us, the Company has utilised the money raised by way of further public offer for the purposes for which they were raised.

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

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

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

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

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has incurred cash losses of ₹ 134 Crores in the current financial year and ₹ 46 Crores 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.

(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
Firm's Registration No. 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399
ICAI UDIN: 23112399BGXWIR7051

Place : Mumbai
Date : 26 May 2023

ANNEXURE - I TO ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT - 31 MARCH 2023

Amounts of dues of Income-Tax, Sales Tax, Service Tax, Duty of Excise, Goods and Services Tax, Customs Duty and Value added tax which have not been deposited as at 31 March 2023 on account of dispute.

Name of the statute	Nature of dues	Amount* (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Goods destroyed in fire accident.	4.44	April 2005 to March 2009	CESTAT, Ahmedabad
	Demand, Interest and Penalty towards exemption availed in EOU Unit.	21.22	May 2004 to March 2007	CESTAT, Mumbai
	Demand, Interest and Penalty for exempted goods cleared.	18.96	November 2006 to April 2013	CESTAT, Mumbai
	Education cess on Export Consignments	0.02	April 2005 to March 2006	Joint Commissioner
UP VAT/CST Act	Demand under Section 28 & Section 9(2)	0.25	April 2009 to March 2010	Addl. Commissioner Grade 2 (Appeals), U.P
	Sales Tax Due to under Invoicing and late deposit of tax	0.08	2003-04 to 2005-06	Joint Commissioner (Appeals), U.P
	Demand under Section 28 & Section 9(2)	0.29	April 2008 to March 2009	Addl. Commissioner Grade 2 (Appeals) first, Ghaziabad
WB VAT/CST Act	Demand under various Sections	1.43	2007-08 UP 2014-15	Commissioner (Appeals), West Bengal
Kerala VAT Act	Demand under Section 21	0.16	April 2011 to March 2014	Commissioner (Appeals), Kerala
Gujarat VAT Act	Additional tax on Fuel consumption	0.60	April 2010 to March 2013	Joint Commissioner (Appeals), Gujarat
Central Sales Tax/ VAT Act	Demand under CST and Goa VAT Act	1.25	2006-2007	Addl. Commissioner of Commercial Tax, Goa
	Demand under MVAT Act	3.04	April 2009 to March 2010	Maharashtra Sales Tax Tribunal
	Demand under CST Act	0.41	April 2009 to March 2010	Maharashtra Sales Tax Tribunal
	Demand and Penalty under MVAT Act	0.71	April 2009 to March 2010	Maharashtra Sales Tax Tribunal
	Demand and Penalty under MVAT Act	19.39	April 2010 to March 2011	Maharashtra Sales Tax Tribunal
	Demand and Penalty under CST Act	2.59	April 2010 to March 2011	Maharashtra Sales Tax Tribunal
	Demand under CST Act	6.28	April 2011 to March 2012	Maharashtra Sales Tax Tribunal
	Demand under MVAT Act	7.85	April 2011 to March 2012	Maharashtra Sales Tax Tribunal
	Demand and Penalty under MVAT Act	8.72	April 2012 to March 2013	Maharashtra Sales Tax Tribunal
	Demand under MVAT Act	0.76	April 2012 to March 2013	Maharashtra Sales Tax Tribunal
	Demand under MVAT Act	4.16	April 2013 to March 2014	Maharashtra Sales Tax Tribunal
	Demand under CST Act	0.27	April 2013 to March 2014	Maharashtra Sales Tax Tribunal
	Demand under MVAT Act	14.03	April 2014 to March 2015	Joint Commissioner (Appeals)
	Demand under CST Act	1.40	April 2014 to March 2015	Joint Commissioner (Appeals)
	Demand under MVAT Act	4.09	April 2015 to March 2016	Deputy Commissioner

ANNEXURE I TO ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2023

Name of the statute	Nature of dues	Amount* (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
	Demand under CST Act	0.13	April 2015 to March 2016	Deputy Commissioner
	Demand under MVAT Act	3.91	April 2016 to March 2017	Joint Commissioner (Appeals)
	Demand under CST Act	0.55	April 2016 to March 2017	Joint Commissioner (Appeals)
	Demand under MVAT Act	0.79	April 2017 to March 2018	Joint Commissioner (Appeals)
	Demand under CST Act	0.31	April 2017 to March 2018	Joint Commissioner (Appeals)
	Demand Under MVAT Act	1.25	1992-93 to 1997-98	Joint Commissioner (Appeals)
Goods and Services Tax Act, 2017	Interest on late filing of GST returns of Himachal Pradesh for the period Jul'17 to Dec'17 due to technical glitches on GST portal	0.59	July 2017 to December 2017	Pending with First appellate authority
	Recovery of excess refund issued on account of exports value was wrongly considered i.e. lower of statement-2 and FOB value.	1.66	April 2018 to March 2019	Pending with First appellate authority
	Demand for GST, Penalty, and Interest	0.24	April 2017 to March 2018	Assistant Commissioner, CGST Audit Commissionerate
	Authorities are challenging the ITC credit towards ISD credit distributed in 2019-20 and refund is rejected to full extent	2.06	April 2019 to March 2020	Additional Commissioner (Appeals)
	Rejection of refund application filled u/s 54 of the Act	0.84	August 2017 to March 2018	Additional Commissioner (Appeals)
	Demand under GST Act	0.02	April 2021 to March 2022	Assistant Commissioner
	Demand under GST Act	0.13	April 2018 to March 2019	Assistant Commissioner
	Demand under GST Act	0.06	April 2021 to March 2022	Assistant Commissioner
	Demand under GST Act	0.05	April 2017 to March 2018	Deputy Commissioner
	Demand under GST Act	0.18	April 2018 to March 2019	Assistant Commissioner
	Demand under GST Act	0.04	July 2017 to March 2018	State Tax Officer
The Finance Act, 1994 (Service Tax)	Interest and penalty on non-payment of Service Tax on Import of certain services	0.81	April 2005 to March 2010	CESTAT, Mumbai
	Interest on non-payment of Service Tax on Import of certain services	0.07	April 2011 to March 2012	CESTAT, Mumbai
	Demand under Finance Act, 1994	0.23	April 2016 to June 2017	Assistant Commissioner, GST
	CENVAT Credit	0.65	April 2010 to March 2011	CESTAT, Mumbai
	Penalty under provision of Rule 15 of the CENVAT Credit Rules, 2004	1.50	April 2005 to March 2011	Commissioner (Appeals)
Custom Act, 1962	Customs Duty, Penalty and Interest	0.25	January 2013 to March 2015	CESTAT, Mumbai

ANNEXURE I TO ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2023

Name of the statute	Nature of dues	Amount* (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Demand under Section 143(3)	4.04	FY 2003-04	High Court
	Demand under Section 143(3)	26.02	FY 2006-07	High Court
	TDS Assessment order u/s 201/201(A)	1.99	FY 2009-10	Commissioner of Income Tax (Appeals) - TDS
	Demand under Section 143(3)	20.17	FY 2010-11	Commissioner of Income Tax (Appeals)
	Demand under Section 143(3)	26.51	FY 2011-12	Commissioner of Income Tax (Appeals)
	Demand under Section 143(3)	Nil	FY 2012-13	High Court
	Demand under section 271(1)(c)	0.37	FY 2012-13	Commissioner of Income Tax (Appeals)
	Demand under Section 143(3)	Nil	FY 2013-14	Commissioner of Income Tax (Appeals)
	TDS (TRACES)	0.31	January 2012 to December 2017	TDS officers
	TDS Assessment order u/s 201/201(A)	46.33	FY 2014-15	Commissioner of Income Tax (Appeals) - TDS
	TDS Assessment order u/s 201/201(A)	54.24	FY 2015-16	Commissioner of Income Tax (Appeals) – TDS
	Demand under Section 143(3)	Nil	FY 2016-17	Commissioner of Income Tax (Appeals)
	Demand under Section 143(3)	Nil	FY 2017-18	Commissioner of Income Tax (Appeals)

Note 1: The aforesaid amounts under Income Tax Act, 1961 are net off the below claims made by the assessee, pending formal acceptance by the tax authorities for the relevant benefit.

Financial Year	Amount (in Crs)	Pending acceptance by Tax authorities for
2012-13	67.29	Pending appeal effect to the order of the Tribunal, wherein the Tribunal has restored certain issues to the file of the assessing officer and rectification effect arising out of order for FY 2011-12.
2010-11	27.33	Eligibility for entitlement and set-off of MAT credit utilisation, arising out of the effect of OGE to the favourable order of CIT(A) for FY 2009-10
2013-14	21.00	Rectification application for granting credit for TDS deducted by non-resident
2016-17	65.74	Rectification application for adjusting brought forward Losses for FY 2015-16.
2017-18	102.21	Rectification application for adjusting MAT entitlement Credit for FY 2013-14 and FY 2014-15.

Note 2: The aforesaid amounts under Income Tax Act, 1961 does not include demand against which the favorable order has been received by the assesse but has been further appealed by tax authorities at higher level.

Financial Year	Amount (in Crs)	Forum where dispute is further appealed
2000-01	5.00	High Court
2004-05	12.68	High Court
2007-08	0.45	High Court

* Out of the above, amount paid/adjusted under protest by the Company for Excise, VAT, Service tax, Custom Duty, GST and income tax is ₹ 0.47 Crore, ₹ 44.64 Crores, ₹ 0.22 Crore, ₹ 0.22 Crore, ₹ 3.72 Crore and ₹ 85.71 Crores.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF WOCKHARDT LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(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 Wockhardt Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities 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 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 if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to 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
Firm's Registration No. 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399
ICAI UDIN: 23112399BGXWIR7051

Place : Mumbai
Date : 26 May 2023

BALANCE SHEET

As at March 31, 2023

(All amounts are in INR Crore, except per share data and unless stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	**1,186**	1,273
Right of use assets	4	**371**	471
Capital work-in-progress	4	**56**	69
Intangible assets	5	**68**	84
Intangible assets under development	5	**767**	756
Financial Assets			
Investments in subsidiaries	6	**297**	297
Other investments *	6	**0**	0
*₹ 0.45 crore (Previous year - ₹ 0.45 crore)			
Other non-current financial assets	7	**63**	61
Non-current tax assets (Net)		**99**	94
Deferred tax assets (Net)	8	**250**	204
Other non-current assets	9	**100**	101
		3,257	3,410
CURRENT ASSETS			
Inventories	10	**363**	387
Financial assets			
i. Trade receivables	11	**551**	1,292
ii. Cash and cash equivalents	12.1	**4**	172
iii. Bank balances (other than cash and cash equivalents)	12.2	**33**	35
iv. Other current financial assets	13	**120**	82
Other current assets	14	**225**	276
		1,296	2,244
Assets classified as held for sale	31	**179**	144
Total Assets		**4,732**	5,798
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	**72**	72
Other equity		**1,681**	2,140
Equity attributable to the share holders of the Company		**1,753**	2,212
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
Borrowings	16	**12**	146
Lease liabilities	33	**315**	359
Provisions	17	**26**	32
		353	537
CURRENT LIABILITIES			
Financial liabilities			
i. Borrowings	18	**1,608**	1,444
ii. Lease liabilities	33	**78**	75
iii. Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		**33**	45
Total outstanding dues of creditors other than micro enterprises and small enterprises		**524**	537
iv. Other current financial liabilities	20	**268**	280
Other current liabilities	21	**88**	638
Provisions	22	**25**	28
Current tax liabilities (Net)		**2**	2
		2,626	3,049
Total Liabilities		**2,979**	3,586
Total Equity and Liabilities		**4,732**	5,798
Significant Accounting policies	3		
The accompanying notes form an integral part of these financial statements			

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

Deepak Madnani
Chief Financial Officer

Debashis Dey
Company Secretary

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

Huzaifa Khorakiwala
Executive Director
DIN: 02191870

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Zahabiya Khorakiwala
Non Executive Director
DIN: 00102689

Aman Mehta
DIN: 00009364

Sanjaya Baru
DIN: 05344208

Vinesh Kumar Jairath
DIN: 00391684

Akhilesh Gupta
DIN: 00359325

Directors

STATEMENT OF PROFIT AND LOSS

For the Year ended March 31, 2023

(All amounts are in INR Crore, except per share data and unless stated otherwise)

		Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME				
I	Revenue from operations	23	**1,072**	1,372
II	Other income	24	**67**	38
III	**Total Income (I + II)**		**1,139**	1,410
IV	**Expenses**			
	Cost of materials consumed		**200**	283
	Purchase of Stock-in-Trade		**171**	191
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	**30**	2
	Employee benefits expense	26	**240**	261
	Finance costs	27	**229**	273
	Depreciation and amortisation expense	4 & 5	**186**	171
	Other expenses	28	**361**	413
	Total Expenses (IV)		**1,417**	1,594
V	**Loss before exceptional items and tax (III - IV)**		**(278)**	(184)
VI	**Exceptional items- charge**	34	**(235)**	–
VII	**Loss after exceptional items before tax (V + VI)**		**(513)**	(184)
VIII	**Tax expense**	8		
	Tax pertaining to earlier years		**–**	5
	Deferred tax - credit (Net)		**(47)**	(49)
IX	**Loss for the year (VII + VIII)**		**(466)**	(140)
X	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss- credit/(charge)			
	Consisting of re-measurement of net defined benefit (liability)/asset *		**4**	(1)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss - (charge)/credit*		**0**	0
	* ₹ (0.12) crore (Previous year - ₹ 0.35 crore)			
	Other Comprehensive Income (Net of tax)		**4**	(1)
XI	**Total Comprehensive Income (IX+X) (Comprising Loss and Other Comprehensive Income for the year)**		**(462)**	(141)
	Earnings per equity share of face value of ₹ 5 each	29		
	Earnings per equity share			
	Basic earnings per share (INR)		**(32.40)**	(11.62)
	Diluted earnings per share (INR)		**(32.40)**	(11.62)
Significant Accounting policies		3		
The accompanying notes form an integral part of these financial statements				

As per our attached report of even date

For B S R & Co. LLP
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Directors

STATEMENT OF CHANGES IN EQUITY

For the Year ended March 31, 2023

(All amounts are in INR Crore, except per share data and unless stated otherwise)

A. Equity Share Capital

As at April 01, 2021 ₹ in crore	Changes in equity share capital during the year ₹ in crore	As at March 31, 2022 ₹ in crore	Changes in equity share capital during the year* ₹ in crore	**As at March 31, 2023 ₹ in crore**
55	17	72	0	**72**

*₹ 0.01 crore

B. Other equity

₹ in crore

	Reserves and Surplus								Total
	Capital Reserves		Capital Redemption Reserve (CRR)	Securities Premium	Share Options Outstanding Account	General Reserves	Other Reserves-FCMITDA	Retained Earnings	
	Capital Reserves (other than capital contribution)	Capital Contribution							
Balance as on April 01, 2021	**173**	**66**	**819**	**69**	**28**	**264**	**(6)**	**138**	**1,551**
Profit for the year	–	–	–	–	–	–	–	(140)	(140)
Other Comprehensive income for the year - Re-measurement of net defined benefit (liability) / asset	–	–	–	–	–	–	–	(1)	(1)
Total comprehensive Income	–	–	–	–	–	–	–	(141)	(141)
Net additions/(deductions) on ESOP options (Also Refer note 38)	–	–	–	1	(10)	8	–	–	(1)
Additions in Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	(3)	–	(3)
Amortisation from Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	8	–	8
Right Issue of Equity Shares	–	–	–	731	–	–	–	–	731
Right Issue expenses				(5)					(5)
Balance as on March 31, 2022	**173**	**66**	**819**	**796**	**18**	**272**	**(1)**	**(3)**	**2,140**
Loss for the year	–	–	–	–	–	–	–	(466)	**(466)**
Other Comprehensive income for the year - Re-measurement of net defined benefit (liability) / asset	–	–	–	–	–	–	–	4	4
Total comprehensive Income	–	–	–	–	–	–	–	**(462)**	**(462)**
Net additions/(deductions) on ESOP options (Also Refer note 38)	–	–	–	3	(2)	1	–	–	2
Additions in Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	(1)	–	(1)
Amortisation from Foreign Currency Monetary Items Translation Difference Account (FCMITDA)	–	–	–	–	–	–	2	–	2
Balance as on March 31, 2023	**173**	**66**	**819**	**799**	**16**	**273**	**–**	**(465)**	**1,681**

Notes: Nature and purpose of reserves:

Capital Reserves (other than capital contribution)

The reserve comprises of reserve created on amalgamation of the subsidiaries with the Company and redemption of certain preference shares at 25% of the face value pursuant to modification in the terms of issue.

Capital redemption reserve

Capital redemption reserve was created during redemption of preference shares out of the profits of the Company in accordance with the requirements of Companies Act.

Capital Contribution

Under Ind AS, preference shares have been measured at fair value at inception with reference to market rates and the difference to the extent pertaining to the Promoter Group have been recognised as capital contribution.

Securities premium

Securities premium is used to record the premium received on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

Share Options Outstanding Account

The Company has adopted various equity-settled share based payment plans for certain categories of employees. Refer Note 38 for further details.

Foreign Currency Monetary Items Translation Difference Account (FCMITDA)

Under previous GAAP, paragraph 46A of Accounting Standard for 'The Effects of Changes in Foreign Exchange Rates' (AS 11) provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable asset are adjusted in fixed assets and depreciated over the remaining life of such assets and in other cases are accumulated in Foreign Currency Monetary item Translation Difference Account (FCMITDA) to be amortised over balance period of long term asset/liability. Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

General Reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

Significant Accounting Policies

The accompanying notes form an integral part of these financial statements

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

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Akhilesh Gupta
DIN: 00359325

Directors

CASH FLOW STATEMENT

For the Year ended March 31, 2023

(All amounts are in INR Crore, except per share data and unless stated otherwise)

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Loss before tax	**(513)**	(184)
Adjustments for:		
Provision against contract assets	**50**	–
Depreciation and amortisation expense	**186**	171
Reversal of allowance for expected credit loss and bad debts	**(14)**	(14)
(Profit)/Loss on assets sold/write off of fixed assets (Net)	**(29)**	2
Finance costs	**229**	273
Net foreign exchange fluctuation loss/(gain), net	**17**	(10)
Interest income	**(4)**	(8)
Employee share based payments expenses	**1**	1
Liabilities no longer required written back	**(3)**	(2)
Guarantee fees income	**–**	(3)
	(80)	226
Movements in Working capital		
Decrease/(Increase) in inventories	**24**	(39)
Decrease/(Increase) in Trade receivables (refer note 34)	**759**	(298)
Increase in Loans and advances and other assets	**(29)**	(128)
(Decrease)/Increase in Liabilities and provisions (refer note 34)	**(569)**	60
(Decrease)/Increase in Trade payables	**(29)**	165
Cash generated /(used in) from operations	**76**	(14)
Income tax paid	**(5)**	(79)
Net cash (outflow)/ inflow from Operating activities	**71**	(93)
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of property, plant and equipment and capital work-in progress	**–**	(52)
Proceeds from sale of property, plant and equipment	**39**	1
Purchase of Intangible assets and Intangible assets under development	**(47)**	(202)
Investment in subsidiary*	**–**	0
Previous year - ₹ 0.05 crore		
Margin money under lien and Bank balances (other than cash and cash equivalents)	**3**	7
Interest received	**2**	2
Net cash outflow Investing activities	**(3)**	(244)
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES (REFER NOTE 46)		
Proceeds from issuance of Equity share capital under Rights issue	**–**	748
Transaction cost related to Right Issue	**(3)**	(1)
Proceeds from Issuance of Equity share capital under ESOS*	**0**	0
₹ 0.01 crore (Previous year ₹ 0.02 crore)		
Proceeds from long-term borrowings	**–**	49
Issue of non-convertible debentures	**–**	237
Repayment of long-term borrowings	**(252)**	(289)

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Short-term borrowings (net)	**67**	(134)
Loans from Related parties	**328**	1,348
Repayment of loans taken from Related parties	**(116)**	(1,302)
Repayment of Lease liabilities (refer note 3 below)	**(79)**	(75)
Finance costs paid	**(181)**	(149)
Equity Dividend paidto IEPF	**–**	(2)
Net cash outflow from Financing activities	**(236)**	430
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(168)**	93
Cash and cash equivalents as at the beginning of the year	**172**	79
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	**4**	172

Reconciliation of cash and cash equivalents as per the cash flow statement

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents as per above comprise of the following		
Cash *	**–**	0
* (Previous year - ₹ 0.09 crore)		
Balance with banks:		
- in current account	**4**	172
Balance as per the Statement of cash flows	**4**	172

Notes:

1. The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.
2. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. Repayment of lease liabilities consists of:
   Payment of interest ₹ 38 crore (Previous year - ₹ 42 crore)
   Payment of Principal ₹ 41 crore (Previous year - ₹ 33 crore)
4. Figures in bracket indicate cash outflow.

Significant Accounting Policies

The accompanying notes form an integral part of these financial statements

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
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DIN: 00391684

Akhilesh Gupta
DIN: 00359325

Directors

1. CORPORATE INFORMATION

Wockhardt Limited (WL or the 'Company') is a public limited company incorporated in India and has its registered office at D-4, MIDC, Chikalthana, Maharashtra, India. The Company's equity shares are listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

The Company and its subsidiaries (the 'Group') is a global pharmaceutical and biotech company with presence in USA, UK, Switzerland, Ireland, Russia and many other countries. It has manufacturing and research facilities in India, USA & UK and a manufacturing facility in Ireland and Dubai. The Company has a significant presence in USA, Europe and India.

2. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

A. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and also the guidelines issued by Securities and Exchange Board of India('SEBI'), as applicable.

These financial statements were approved by the Board of Directors and authorised for issue on May 26, 2023.

B. Functional and Presentation Currency

These financial statement are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates All the amounts have been rounded off to the nearest crore except for share data and per share data, unless otherwise stated.

C. Basis of preparation

These Financial Statements have been prepared on accrual basis under the historical cost convention except for the following material items in the statement of financial position:

- certain financial assets and liabilities that are measured at fair value.
- share-based payments.
- Certain Property,Plant and equipments measured at fair value which has been considered as deemed cost.
- Net defined benefit liabilities.

Going Concern

The Company has incurred a loss in the current year and the current liabilities exceed current assets and assets held for sale by ₹ 1,151 crore. Of these current liabilities, ₹ 788 crores pertain to loans received from companies controlled by the Promoters ('Promoter entities'). These Promoter entities have reaffirmed their commitment and confirmed that they will not recall the loans provided to the Company, unless the Company confirms that it has adequate surplus liquidity available and Promoter entities have confirmed to provide required financial support to the Company to repay the liabilities of the Company. Company also has access to undrawn borrowing facilities from certain lenders. Considering the support from Promoter entities, undrawn borrowing facilities, expected cash inflows from ongoing business operations and from sale of surplus assets classified as held for sale, the Company is confident of repayment of liabilities as and when they fall due and accordingly the Company has prepared the financial statements on a going concern basis. Subsequent to March 31, 2023, the terms of borrowings of ₹ 600 crores from related parties, which were current have been revised and now the repayment tenure for such borrowings have been extended to 31 March 2025, with an option to the Company to further renew the loan basis Company's assessment of cash flows and liquidity position on that date.

D. Use of Estimates and Judgments

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumption about the reported amounts of assets and liabilities (including contingent liabilities) on the date of standalone financial statement and the reported income and expenses during the year. The management believes that the judgements and estimates used in preparation of these financial statements are prudent and reasonable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in these financial statements.

(i) Leasehold land:

The Company has entered into several arrangements for lease of land from Government entities and other parties. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(ii) *Impairment of trade receivables:*

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(iii) *Legal and other disputes:*

The Company provides for anticipated settlement costs where an outflow of resources is considered probable and a reliable estimate may be made of the likely outcome of the dispute and legal and other expenses arising from claims against the Company. These estimates take into account the specific circumstances of each dispute and relevant external advice which are inherently judgmental and could change substantially over time as new facts emerge and each dispute progresses.

(iv) *Post-employment benefits:*

The costs of providing gratuity and other post-employment benefits are charged to the income statement in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by management. These assumptions include future earnings and salary increases, discount rates, expected long-term rates of return on assets and mortality rates.

(v) *Sales returns and rebates:*

Revenue is recognized when significant control is transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

Gross turnover is reduced by rebates, discounts, allowances and product returns given or expected to be given, which vary by product arrangements and buying groups. These arrangements with purchasing organisations are dependent upon the submission of claims some time after the initial recognition of the sale. Accruals are made at the time of sale for the estimated rebates, discounts or allowances payable or returns to be made, based on available market information and historical experience.

Because the amounts are estimate, they may not fully reflect the final outcome, and the amounts are subject to change dependent upon, amongst other things, the types of buying group and product sales mix.

The level of accrual for rebates and returns is reviewed and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Market conditions are evaluated using wholesaler and other third-party analyses, market research data and internally generated information.

Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the Company.

(vi) *Current tax and deferred tax:*

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the Company's structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the Company and it is often dependent on the efficiency of the legal processes. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items.

The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits which are based on budgeted cash flow projections, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

(vii) *Estimation of useful life:*

The useful life used to amortise or depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Standalone statement of profit and loss.

The useful lives of Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

(viii) *Provision for inventory:*

Inventory is stated at cost or net realizable whichever is lower. Provision for slow moving inventory is made based on historical experience with old inventory and the utilization plan of such inventory in the near future.

(ix) *Recoverability of Property, plant & equipment and capital work in progress:*

Property, plant & equipment and old capital work in progress is assessed for recoverability based on management's utilization plans, technical assessment of current condition of the underlying assets. Company does a periodic physical verification and inspection of these assets using internal and external experts to determine the condition and usability of these assets.

The Company also determines the recoverable value of the Cash generating units (CGU), basis the estimated future cash flows for assessment of potential impairment.

(x) *Intangible asset under development*

Acquisition cost and development expenditure incurred in relation to New Chemical Entity (NCE) is tested for recoverability based on the estimated future cash flows, progress in development activity and other relevant updates. Changes in these assumptions could lead to potential impairment in the carrying value of these intangible assets under development.

3. SIGNIFICANT ACCOUNTING POLICIES:

a) Property, Plant and Equipment and Depreciation

I. *Recognition and Measurement:*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

II. *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

III. *Depreciation and amortisation*

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation is provided, using the straight line method, pro-rata to the period of use of assets, in accordance with the requirements of Schedule II of the Companies Act, 2013, based on the useful lives of the assets determined through technical assessment by the management. The estimated useful lives followed by the Company are as follows:

Assets	Estimated useful life
Leasehold land	Over the period of lease
Buildings	10 – 61 years
Plant and Equipment	4 – 21 years
Furniture and Fixtures	6 – 20 years
Office Equipments	4 – 20 years
Information Technology Equipments	3 – 20 years
Vehicles	5 years

Fixed assets whose aggregate cost is ₹ 5,000 or less are depreciated fully in the year of acquisition.

Depreciation method, useful life and residual values are reviewed at each financial year end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

b) Intangible assets

I. *Recognition and Measurement:*

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

II. *Subsequent Expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

III. *Amortisation*

Intangible assets are amortised over their estimated useful life on Straight Line Method. The estimated useful lives followed by the Company is in the range of 3 - 10 years

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

c) Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when it meets the conditions of development phase under Ind AS 38 "Intangible Assets" and it can be demonstrated that intangible asset under development will generate probable future economic benefits. The carrying value of development costs is reviewed for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

d) Impairment of Non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss.

The recoverable amount is the greater of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

e) Foreign Currency Transactions / Translations:

i) Transactions in foreign currencies are translated to the reporting currency at exchange rates at the dates of the transactions.

ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the reporting currency at the exchange rate at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

iii) Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the Statement of Profit and Loss in the period in which they arise.

iv) The Company has availed an option of continuing the policy adopted for exchange differences arising from translation of long term foreign currency monetary items outstanding as on March 31, 2016. Accordingly, foreign exchange gain/losses on long term foreign currency monetary items relating to the acquisition of depreciable assets are added to or deducted from the cost of such assets and in other cases, such gains or losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the remaining life of the concerned monetary item.

f) Financial Instruments

I. Financial assets

(i) Classification of financial assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance 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 instruments at fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the EIR method. The Company does not have any instruments classified as fair value through other comprehensive income (FVOCI).

Debt instruments measured at fair value through profit and loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments:

Investment is subsidiaries, associates and joint ventures are measured at cost less 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 and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

All other equity investments which are in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

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

The Company does not have any equity investments designated at FVOCI.

Dividend from investments is recognised as revenue when right to receive is established.

Interest income is recognized with reference to Effective Interest Rate Method.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency 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. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

(ii) Initial recognition and measurement

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original transaction price as the sales arrangements do not contain any significant financing component. 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.

(iii) Derecognition of financial assets

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward-looking estimates are analysed.

II. Financial Liabilities and equity instruments:

Debt and equity instruments issued by the Company classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(ii) Financial liabilities: - Classification:

Financial liabilities are classified as either 'at FVTPL' or 'other financial liabilities'. FVTPL liabilities consist of derivative financial instruments, wherein the gains/losses arising from remeasurement of these instruments is recognized in the Statement of Profit and Loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

(iii) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to issue of these instruments.

(iv) Derecognition

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

III. Fair value:

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

(a) Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date. Examples include exchange-traded commodity derivatives and other financial assets such as investments in equity and debt securities which are listed in a recognized stock exchange.

(b) Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.

(c) Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

IV. Accounting for day 1 differences:

If the fair value of the financial asset at initial recognition differs from the transaction price, this difference if it is not consideration for goods or services or a deemed capital contribution or deemed distribution, is accounted as follows:

- if the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable market, the entire day 1 gain/loss is recorded immediately in the Statement of Profit and Loss; or
- in all other cases, the difference between the fair value at initial recognition and the transaction price is deferred. After initial recognition, the deferred difference is recorded as gain or loss in the Statement of Profit and Loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability

In case the difference represents:

(i) deemed capital contribution - it is recorded as a contribution from shareholder in equity (capital reserve)

(ii) deemed distribution - It is recorded in equity

(iii) deemed consideration for goods and services - it is recorded as an asset or a liability. This amount is amortized/accredited to the Statement of Profit and Loss as per the substance of the arrangement (generally straight-line basis over the duration of the arrangement)

V. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

VI. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

g) Business combinations

i) The Company accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

ii) Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

iii) The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve.

iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the Statement of Profit and Loss.

vi) Transaction costs that the Company incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

vii) On an acquisition-by-acquisition basis, the Company recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

viii) Any goodwill that arises on account of such business combination is tested annually for impairment.

ix) Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

h) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to 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. It is measured at the amount expected to be recovered from or paid to the taxation authorities using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends if any.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability 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 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. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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 temporary differences when they reverse, using tax rates enacted or substantively enacted at 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:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

i) Inventories

All inventories are valued at moving weighted average price other than finished goods, which are valued on moving average price. Finished goods and Work in progress is computed based on respective moving weighted average price of procured materials and appropriate share of labour and other manufacturing overheads.

Inventories are valued at cost or net realizable value, whichever is lower. Cost also includes all charges incurred for bringing the inventories to their present location and condition including non-creditable taxes and other levies.

Inventories of stores and spare parts are valued at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

j) Revenue Recognition

Sale of goods

Revenue is recognized when significant control is transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Accordingly, the timing of recognition of revenue is dependent on the specific terms agreed with the customer

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The timing of the transfer of control varies depending on the individual terms of the sales agreements.

In case of certain bill and hold arrangements with a few customers, Company recognizes revenue when the goods are separately identified and are ready for physical transfer and are kept at warehouses / manufacturing plants based on specific instructions from the customer and the company cannot use these goods for any other purpose and the reason for such an arrangement is substantive.

Sale of Services, Outlicensing fees, sale of intellectual property and Assignment of New Chemical Entity

Revenues from services, Outlicensing fees and Assignment of New Chemical Entity is recognized in accordance with the terms of the relevant agreement(s) as generally accepted and agreed with the customers, and when control transfers to such customers and the Company's performance obligations are satisfied

Export Incentive

Income from Export Benefits and Other Incentives Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and / or services are rendered only when there reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

Insurance claims

Insurance claims are accounted on acceptance of the claim and when it can be measured reasonably, and it is reasonable to expect ultimate collection.

k) Employee Benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in Statement of Profit and Loss in the period in which they arise.

l) Share-based payment transactions

Employees Stock Options Plans ("ESOPs"): The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share Options Outstanding Account". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

m) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. 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.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangement s in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

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 evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized 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 in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

n) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in these financial statements as this may result in the recognition of income that may never be realised. Contingent assets (if any) are disclosed in the notes to the standalone financial statements.

o) Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings (other than long term foreign currency borrowings outstanding as of March 31, 2016) to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

p) Government Grants

Government grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognised in Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.
- In case of grants that compensate the Company for expenses incurred are recognised in Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognised.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

q) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale, if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable and sale is expected to be completed within one year from date of classification.

Non-current assets held for sale are presented separately in the current section of the standalone balance sheet. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell, unless these items presented in the disposal group are deferred tax assets, assets arising from employee benefits and financial assets that are specifically exempt from the requirements.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Discontinued operations are reported when a component of the Company comprising operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Company operations is classified as held for sale or has been disposed of, if the component either (1) represents a separate major line of business or geographical area of operations and (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or (3) is a subsidiary acquired exclusively with a view to resale.

In the standalone statement of profit and loss, income/ (loss) from discontinued operations is reported separately from income and expenses from continuing operations. The comparative standalone statement of profit and loss is re-presented; as if the operation had been discontinued from the start of the comparative period. The cash flows from discontinued operations are presented separately in Notes.

r) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax available to equity share holders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

t) Cash Flow statement

Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

u) Operating cycle

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

v) Recent pronouncements

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 March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS I -Presentation of Financial Statements

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 does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12-Income Taxes

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 does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 -Accounting Policies, Changes in Accounting Estimates and Errors

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 does not expect this amendment to have any significant impact in its financial statements.

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Gross Block (At Cost)					Accumulated Depreciation/Impairment					Net Block	
	As at April 01, 2022	Additions	Deductions/ Adjustments	Asset held for sale	**As at March 31, 2023**	As at April 01, 2022	Charge for the year	Deductions/ Adjustments*	Asset held for sale	**As at March 31, 2023**	**As at March 31, 2023**	As at March 31, 2022
Freehold Land	3			–	**3**	–			–	**–**	**3**	3
Buildings	399	1	1	–	**399**	104	12	1	–	**115**	**284**	295
Plant and machinery	1,964	20	5	–	**1,979**	1,005	95	4	–	**1,096**	**883**	959
Furniture and fixtures	31	–	–	–	**31**	22	1	–	–	**23**	**8**	9
Vehicles	8	–	1	–	**7**	7	–	1	–	**6**	**1**	1
Office Equipments deduction during the year ₹ 0.07 crore	14	–	0	–	**14**	13	–	0	–	**13**	**1**	1
Information Technology Equipments deduction during the year ₹ 0.01 crore	70	4	0	–	**74**	65	3	0	–	**68**	**6**	5
TOTAL	**2,489**	**25**	**7**	**–**	**2,507**	**1,216**	**111**	**6**	**–**	**1,321**	**1,186**	**1,273**
Right of use assets												
Buildings	545	–	1	–	544	165	53	–	–	**218**	**326**	380
Leasehold Land	100	–	11	38	51	9	2	2	3	**6**	**45**	91
TOTAL	**645**	**–**	**12**	**38**	**595**	**174**	**55**	**2**	**3**	**224**	**371**	**471**
Capital work-in-progress	**69**	**11**	**24**	–	**56**	**–**	**–**	**–**	–	**–**	**56**	**69**

4. PROPERTY, PLANT AND EQUIPMENT (CONTD).

Particulars	Gross Block (At Cost)					Accumulated Depreciation					Net Block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	Asset held for sale	**As at March 31, 2022**	As at April 01, 2021	Charge for the year	Deductions/ Adjustments	Asset held for sale	**As at March 31, 2022**	**As at March 31, 2022**	As at March 31, 2021
Freehold Land	3	–	–	–	**3**	–	–	–	–	**–**	**3**	3
Buildings	318	82	1	–	**399**	94	10	0	–	**104**	**295**	224
Deductions during the year ₹ 0.03 crore					**–**							
Plant and machinery	1,747	227	10	–	**1,964**	930	83	8	–	**1,005**	**959**	817
Furniture and fixtures	30	1	–	–	**31**	21	1	–	–	**22**	**9**	9
Vehicles	8	–	–	–	**8**	7	–	–	–	**7**	**1**	1
Office Equipments	13	1	–	–	**14**	13	–	–	–	**13**	**1**	–
Information Technology Equipments	66	4	–	–	**70**	63	2	–	–	**65**	**5**	3
TOTAL	**2,185**	**315**	**11**	–	**2,489**	**1,128**	**96**	**8**	–	**1,216**	**1,273**	**1,057**
Right of use assets												
Buildings	543	2	–	–	545	111	54	–	–	**165**	**380**	432
Leasehold Land	100	–	11	–	89	8	1	–	–	**9**	**80**	92
TOTAL	**643**	**2**	**11**	**–**	**634**	**119**	**55**	**–**	**–**	**174**	**460**	**524**
Capital work-in-progress	**307**	**71**	**309**	**–**	**69**						**69**	**307**

Notes:

4.1 Exchange differences arising on long term foreign currency monetary items relating to depreciable asset adjusted in additions/adjustments above amounts to ₹ 0.45 crore (Previous year - ₹ 1 crore)

4.2 Charge has been created against the aforesaid assets for the borrowings taken by the Company (Refer note 16 and 18) and its subsidiary (Refer note 45).

4.3 Details of Immovable Properties not held in the name of the Company and in the process of getting transferred in the name of the Company is as below

Category and Asset description	Gross carrying value				
	March 31, 2022	March 31, 2021	Title deeds held in the name of:	Property held since	Reason for not being held in the name of the Company
Property, Plant and Equipment –					
Freehold land*	**0**	0	Habil Khorakiwala - Promoter and Chairman	FY 2004-05	The Company is in the process of transferring the assets in the name of the Company

* ₹ 0.31 crore (Previous year - ₹ 0.31 crore)

Particulars	**As at March 31, 2023**					As at March 31, 2022				
	Less than 1 year	**1-2 years**	**2-3 years#**	**More than 3 years**	**Total**	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	**4**	**51**	**0**	**1**	**56**	65	3	–	1	69
TOTAL	**4**	**51**	**0**	**1**	**56**	65	3	–	1	69

\# ₹ 0.21 crore

Project in progress includes ₹ 47 crore (Previous year - ₹ 58 crore) incurred for proposed production of vaccine. Since the Company has put the plan of vaccine production in India on hold, it is now proposed to use these assets for production of alternate pharmaceutical products. The Company plans to put these assets to use by 2024-25

5. INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Gross Block (At Cost)				Accumulated Amortisation				Net Block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Charge for the year	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Brands/Trademarks/Technical know-how	220	–	–	**220**	153	15	–	**168**	**52**	67
Computer software	58	3	–	**61**	41	4	–	**45**	**16**	17
TOTAL	**278**	**3**	–	**281**	**194**	**19**	**–**	**213**	**68**	**84**
Intangible assets under development	**756**	**11**	**–**	**767**					**767**	**756**

(₹ in Crore)

Particulars	Gross Block (At Cost)				Accumulated Amortisation				Net Block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021	Charge for the year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Trademarks/Technical know-how	220	–	–	**220**	138	15	–	**153**	**67**	82
Computer software	57	1	–	**58**	36	5	–	**41**	**17**	21
TOTAL	**277**	**1**	**–**	**278**	**174**	**20**	**–**	**194**	**84**	**103**
Intangible assets under development	**409**	**347**	**–**	**756**	–	–	–	–	**756**	**409**

NOTE 5.1 Intangible assets under development ageing schedule

Particulars	As at March 31, 2023				As at March 31, 2022			
	Less than 1 year	1-2 years	2-3 years	Total	Less than 1 year	1-2 years	2-3 years	Totals
Project in progress	**11**	**347**	**409**	**767**	**347**	**409**	**–**	**756**

The Company expects to capitalise NCE 5222 amounting ₹ 341 crore (Previous year- 338 crore) by FY 2024-25, NCE 4873 amounting ₹ 203 crore (Previous year- ₹ 195 crore) by FY 2024-25 and NCE 4282 amounting ₹ 223 crore (Previous year- ₹ 223 crore) by FY 2027-28.

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	**As at March 31, 2023 ₹ in crore**	As at March 31, 2022 ₹ in crore
Investments in Subsidiaries:		
Investment in Wholly owned subsidiaries at cost		
Unquoted Equity Shares		
1,307,368 (Previous year - 1,307,368) Equity shares of Wockhardt Europe Limited of par value £1 each fully paid up (including two fully paid up shares held in the name of nominees of the Company)- incorporated in British Virgin Island	**8**	8
27,504,823 (Previous year - 27,504,823) Equity shares of Wockhardt UK Holdings Limited of 1p each fully paid up - incorporated in UK	**75**	75
2,000,000 (Previous year - 2,000,000) Equity Shares of ₹ 10 each fully paid up in Wockhardt Infrastructure Development Limited (including six fully paid-up share of par value held in the name of the nominees of the Company)- incorporated in India	**4**	4
50,000 (Previous year - 50,000) Equity Shares of ₹ 10 each fully paid up in Wockhardt Medicines Limited (including six fully paid-up share of par value held in the name of the nominees of the Company)- incorporated in India	**0**	0
* ₹ 0.05 crore (Previous year - ₹ 0.05 crore)		
50,000 (Previous year -50,000) Equity Shares of Wockhardt Biologics Limited of ₹ 10 each fully paid up (including six fully paid up share of par value held in the name of the nominees of the Company)- incorporated in India	**0**	0
* ₹ 0.05 crore (Previous year - ₹ 0.05 crore)		
Investment in Subsidiary at cost		
Unquoted Equity Shares		
44,600,000 (Previous year - 44,600,000) Equity Shares of Wockhardt Bio AG of CHF 1 each fully paid up- incorporated in Switzerland and holding 85.85% shareholding)	**210**	210
	297	297
Aggregate book value of unquoted investments	**297**	297

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Other Investments carried at fair value through profit or loss		
Unquoted Equity Shares:		
443,482 (Previous year: 443,482) Equity Shares of Narmada Clean Tech Limited (formerly known as Bharuch Eco-Aqua Infrastructure Limited) of ₹ 10 each fully paid up *	**0**	0
*₹ 0.44 crore (Previous year - ₹ 0.44 crore)		
(Transaction Value: ₹ 0.44 Crore; Previous year: ₹ 0.44 Crore)		
6,300 (Previous year: 6,300) Equity Shares of Bharuch Enviro Infrastructure Limited of ₹ 10 each fully paid up *	**0**	0
*₹ 0.01 crore (Previous year - ₹ 0.01 crore)		
(Transaction Value: ₹ 0.01 Crore; Previous year: ₹ 0.01 Crore)		
TOTAL*	**0**	0
*₹ 0.45 crore (Previous year - ₹ 0.45 crore)		
Aggregate book value of unquoted investments	**0**	0
TOTAL	**297**	297

7. NON-CURRENT FINANCIAL ASSETS-OTHERS

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Security deposits (Refer note 7.1 below)	**46**	43
Deposit with maturity of more than 12 months	**14**	16
(under lien ₹ 14 crore; Previous year - ₹ 16 crore)		
Margin money (under lien)	**3**	2
TOTAL	**63**	61

NOTE 7.1

Includes deposits with Related parties ₹ 44 crore (Previous year - ₹ 41 crore). Also Refer note 40

8. INCOME TAX

NOTE 8.1

Tax recognised in profit or loss

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Current tax charge/(credit)	**–**	–
Tax charge pertaining to earlier years	**–**	5
Deferred tax charge/(credit), net		
Origination and reversal of temporary differences including carry forward losses	**(47)**	(49)
Deferred tax credit	**(47)**	(49)
Tax credit for the year	**(47)**	(44)

NOTE 8.2

Tax recognised in other comprehensive income

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans - (charge)/credit*	**0**	0
* ₹ 0.12 crore (Previous year - ₹ 0.35 crore)		
TOTAL	**0**	0

NOTE 8.3
Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Loss before tax (a)	**(513)**	(184)
Tax using the Company's domestic tax rate (Current year - 34.944% and Previous year - 34.944%)	**(179)**	(64)
Non-deductible tax expenses	**2**	6
Current tax expense pertaining to earlier years	**–**	5
Remeasurement of opening deferred tax liability basis expected reversals at lower tax rate	**–**	1
Profit chargeable to/ utilisation of losses at lower rate	**(3)**	1
Deferred tax assets not recognised on unabsorbed depreciation/loss	**120**	–
Reversal of MAT credit entitlement	**13**	7
Tax expense as per profit or loss (b)	**(47)**	(44)
Effective average tax rate for the year (b)/(a)	**9%**	24%

NOTE 8.4
Movement in deferred tax asset/(liabilities)

Particulars	Net balance April 01, 2022	Recognised in profit or loss	Recognised in Other Comprehensive Income	March 31, 2023 Net Deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)						
Property, Plant and Equipment	(227)	(17)	–	**(244)**	**–**	**(244)**
Unabsorbed depreciation/losses	158	88	–	**246**	**246**	**–**
Loans and borrowings	(2)	–	–	**(2)**	**–**	**(2)**
Employee benefits	14	(2)	–	**12**	**12**	**–**
Lease arrangements	23	–	–	**23**	**23**	**–**
Allowance for credit loss	27	(10)	–	**17**	**17**	**–**
Other items	2	–	–	**2**	**2**	**–**
Tax assets/(Liabilities)	(5)	59	–	**54**	**300**	**(246)**
Minimum Alternate Tax (MAT) credit entitlement	209	(13)	–	**196**	**196**	**–**
Net tax assets/(Liabilities)	204	46	–	**250**	**496**	**(246)**

Particulars	Net balance April 01, 2021	Recognised in profit or loss	Recognised in Other Comprehensive Income	March 31, 2022 Net Deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)						
Property, Plant and Equipment	(200)	(27)	–	(227)	–	(227)
Unabsorbed depreciation/losses	93	65	–	158	158	–
Loans and borrowings	(1)	(1)	–	(2)	–	(2)
Employee benefits	12	2	–	14	14	–
Lease arrangements	13	10	–	23	23	–
Allowance for credit loss	21	6	–	27	27	–
Other items	1	1	–	2	2	–
Tax assets/(Liabilities)	**(61)**	**56**	–	**(5)**	**224**	**(229)**
Minimum Alternate Tax (MAT) credit entitlement	216	(7)	–	209	209	–
Net tax assets/(Liabilities)	**155**	**49**	–	**204**	**433**	**(229)**

Notes:

i) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Minimum Alternative Tax (MAT credit) balance as on March 31, 2023 amounts to ₹ 196 crore (Previous year - ₹ 209 crore). Based on future business prospects and, actions taken to implement Company's business strategies including expected monetisation of assets, it is probable that the said MAT credit and business loss will be availed in future years against the normal tax expected to be paid in those years.

ii) Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

iii) Given that the Company does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised. Further, the Company does not have any intention to dispose the land on an individual basis, hence deferred tax asset on the indexation benefit on land has not been recognised.

iv) Aggregate temporary differences and carried forward tax losses for which no deferred tax has been created amounted to ₹ 455 crore (Previous year - ₹ 142 crore). These tax losses are available for set off against future taxable profits over next 8 years.

v) Carried Forward Tax Losses

Particulars	Expiring within 5 years	Expiring within 6-8 years	Total
Losses for which no deferred tax asset is recognised	–	313	313

9. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Capital advances	**12**	10
Security Deposits (Refer note 9.1 below)	**11**	14
Other advances (Refer note 9.2 below)	**77**	77
TOTAL	**100**	101

The above amounts are net of provision amounting ₹ 9 crore (Previous year - ₹ 7 crore)

Note 9.1

Includes balances with Government and Semi-Government authorities amounting ₹ 9 crore (Previous year - ₹ 11 crore)

Note 9.2

Includes balances with Government authorities amounting ₹ 76 crore (Previous year - ₹ 76 crore)

10. INVENTORIES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Raw Materials and components	**143**	137
Goods-in-transit	**2**	3
	145	140
Work-in-progress	**46**	28
Finished goods	**68**	127
Stock-in-trade	**24**	13
Stores and spares	**80**	79
TOTAL	**363**	387

Notes:

a) Inventories are valued at cost or net realizable value, whichever is lower.

b) Reversal for provision of slow moving and non moving items for the year ₹ 13 crore (Previous year - charge ₹ 8 crore). These have been recognised as an reversal of expense during the year and are included in cost of materials consumed or changes in inventory of finished goods, work-in-progress and stock-in-trade.

This reversal is on account of reversal of provision created earlier on certain inventories considered as non-moving/slow moving.

11. CURRENT FINANCIAL ASSETS-TRADE RECEIVABLES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Unsecured considered good	**557**	1,306
Less: Allowance for expected credit loss	**(6)**	(14)
Total	**551**	1,292
Unsecured credit impaired	**41**	62
Less: Allowance for expected credit loss	**(41)**	(62)
TOTAL	**–**	–
TOTAL	**551**	1,292

Note 11.1

The above balances include dues from private companies in which any director is a director or a member ₹ 6 crore (Previous year - ₹ 4 crore). [Also refer note 42 for information about credit risk and market risk of trade receivables]

Note 11.2

Trade Receivables ageing schedule

Particulars	As at March 31, 2023						
	Not due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	**190**	**187**	**70**	**34**	**28**	**48**	**557**
(ii) Undisputed Trade Receivables – credit impaired	**–**	**–**	**–**	**–**	**–**	**41**	**41**
	190	**187**	**70**	**34**	**28**	**89**	**598**
Less: Allowance for credit loss* *Not due during the year ₹ 0.23 crore	**0**	**(1)**	**(2)**	**(1)**	**(2)**	**(41)**	**(47)**
TOTAL	**190**	**186**	**68**	**33**	**26**	**48**	**551**

Particulars	As at March 31, 2022						
	Not due	Less than 6 months	6 Month s- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	234	209	232	78	101	452	1,306
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	62	62
	234	209	232	78	101	514	1,368
Less: Allowance for credit loss	(1)	(3)	(1)	(2)	(7)	(62)	(76)
TOTAL	233	206	231	76	94	452	1,292

Also refer note 42 (iii) (a) for approval received during the year from Reserve Bank of India/Authorised Dealer to offset the receivables with Advance received from the Subsidiary against supplies.

Note 12.1

Current Financial Assets-Cash and cash equivalents

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Bank balances		
In current accounts	**4**	172
Cash on hand* * Nil (Previous year - ₹ 0.09 crore)	**–**	0
TOTAL	**4**	172

Note 12.2

Current Financial Assets-Other bank balances

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
In current accounts (balances subject to restrictions under Business transfer agreement and NCDs)* * ₹ 0.01 crore in current year	**0**	3
Deposits with original maturity of less than 3 months (under lien/balances subject to restrictions under Business transfer agreement and NCDs)	**1**	5
Deposits with original maturity of more than 3 months but less than 12 months (under lien)	**18**	12
Deposits with original maturity equal to 12 months (under lien)	**8**	1
Deposits with original maturity of more than 12 months (under lien)	**4**	11
Margin money (under lien)	**2**	3
Unpaid dividend accounts*	**0**	0
* ₹ 0.50 crore (Previous year - ₹ 0.50 crore)		
TOTAL	**33**	35

Note:

Interest accrued on deposits is included in the carrying value of financial asset as these assets are measured at amortised cost

13. CURRENT FINANCIAL ASSETS-OTHERS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
(Unsecured, considered good unless otherwise stated)		
Other receivables (Receivable from Related party ₹ 21 crore; (Previous year ₹ 5 crore - Refer note 40)	**45**	13
Guarantee fees receivable from related party (Refer note 40)	**75**	69
TOTAL	**120**	82

14. OTHER CURRENT ASSETS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
(Unsecured, considered good unless otherwise stated)		
Advance to suppliers (Refer note 14.1 below)	**51**	41
Balances with / receivable from statutory / government authorities	**160**	173
Contract assets (Refer note 14.3 below)	**–**	50
Other advances (Refer note 14.2 below)	**14**	12
TOTAL	**225**	276

Note 14.1

Advances to Suppliers include dues from private companies in which any director is a director or a member ₹ 3 crore (Previous year: ₹ 1 crore).

Note 14.2

Other advances includes inventory of Saleable goods ₹ 1 crore (Previous year - ₹ 1 crore).

Further the above balances are net of provisions amounting ₹ 25 crore (Previous year - ₹ 25 crore)

Note 14.3

During the previous year, the Company has incurred ₹ 50 crore for contract assets. The Customer is yet to fulfill its contractual obligations and commitments. Though, the Company is pursuing various options and taking necessary actions related to this matter, given the uncertainty, Company has provided for this contract assets during the year and has disclosed it as 'Exceptional items'.

15. EQUITY SHARE CAPITAL

	Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
[a]	**Authorised share capital**		
	250,000,000 (Previous year - 250,000,000) Equity shares of ₹ 5/- each	125	125
		125	125

[b]	Issued, Subscribed and Paid up	As at March 31, 2023		As at March 31, 2022	
		Number of Shares	Amount ₹ in crore	Number of Shares	Amount ₹ in crore
	Equity:				
	Outstanding at the beginning of the year	144,060,153	72	110,781,153	55
	Add: Shares issued during the year on rights basis	–	–	33,244,650	17
	Add: Shares issued during the year pursuant to ESOS*	28,170	0	34,350	0
	* ₹ 0.01 crore (Previous year - ₹ 0.02 crore)				
	Outstanding as at end of the year	144,088,323	72	144,060,153	72

a) During the previous year, in accordance with provisions of the Companies Act, 2013 and other related laws, the Company had offered its shareholders to subscribe to a right issue of 33,244,650 equity shares at an issue price of ₹ 225 per share. The issue was fully subscribed.

Details of the utilization of proceeds from right issues:

Purpose of Utilization:	Current year	Previous year
Loan repayment	90	500
General Corporate purpose	99	55
	189	555
Amount parked in bank account as on the balance sheet date (after adjusting right issue expenses)	–	189

b) The Company has only one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

c) **Shares reserved for issue under options:**

293,455 (Previous year - 362,225) equity shares of face value ₹ 5 each have been reserved for issue under Wockhardt Stock Option Scheme -2011.

d) **Details of equity shares held by each shareholders holding more than 5% of total equity shares:**

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Percentage	Number of Shares	Percentage
Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.*	69,544,744	48.27%	77,344,744	53.69%

* includes 55,943,000 Equity Shares (Previous year - 42,167,000) pledged

e) **Details of equity shares held by Promoter:**

Name of the Promoter	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Habil Khorakiwala	597,286	0.41%	597,286	0.41%	–
Themisto Trustee Company Private Limited on behalf of Humuza Consultants	69,544,744	48.27%	77,344,744	53.69%	-10.08%
Themisto Trustee Company Private Limited on behalf of Habil Khorakiwala Trust	130,000	0.09%	2,990,000	2.08%	-95.65%
Murtaza Habil Khorakiwala	294,060	0.20%	294,060	0.20%	–
Huzaifa Habil Khorakiwala	280,800	0.19%	280,800	0.19%	–
Nafisa Habil Khorakiwala	5,565	0.004%	3,432	0.002%	62.15%
Miqdad H Khorakiwala	2,340	0.002%	2,340	0.002%	–
Callirhoe Trustee Company Private Limited on behalf of Lysithea Discretionary Trust	936,751	0.65%	936,751	0.65%	–
Callirhoe Trustee Company Private Limited on behalf of Lysithea Consultants	4,160,000	2.89%	4,160,000	2.89%	–

Name of the Promoter	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	**% of Holding**	No. of Shares	% of Holding	
Pasithee Trustee Company Private Limited on behalf of HNZ Discretionary Trust	**650,000**	**0.45%**	650,000	0.45%	–
Pasithee Trustee Company Private Limited on behalf of HNZ Consultants	**4,420,000**	**3.07%**	4,420,000	3.07%	–
Ananke Trustee Company Private Limited on behalf of Amalthea Discretionary Trust	**274,530**	**0.19%**	874,530	0.61%	-68.61%
Ananke Trustee Company Private Limited on behalf of Amalthea Consultants	**4,160,000**	**2.89%**	4,160,000	2.89%	–
TOTAL	**85,456,076**	**59.31%**	96,713,943	67.13%	

Name of the Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Habil Khorakiwala	597,286	0.41%	459,451	0.41%	30.00%
Themisto Trustee Company Private Limited on behalf of Humuza Consultants	77,344,744	53.69%	60,495,957	54.61%	27.85%
Themisto Trustee Company Private Limited on behalf of Habil Khorakiwala Trust	2,990,000	2.08%	4,400,000	3.97%	-32.05%
Murtaza Habil Khorakiwala	294,060	0.20%	226,200	0.20%	30.00%
Huzaifa Habil Khorakiwala	280,800	0.19%	216,000	0.19%	30.00%
Nafisa Habil Khorakiwala	3,432	0.002%	2,640	0.002%	30.00%
Miqdad H Khorakiwala	2,340	0.002%	1,800	0.002%	30.00%
Callirhoe Trustee Company Private Limited on behalf of Lysithea Discretionary Trust	936,751	0.65%	1,320,578	1.19%	-29.07%
Callirhoe Trustee Company Private Limited on behalf of Lysithea Consultants	4,160,000	2.89%	3,200,000	2.89%	30.00%
Pasithee Trustee Company Private Limited on behalf of HNZ Discretionary Trust	650,000	0.45%	1,500,000	1.35%	-56.67%
Pasithee Trustee Company Private Limited on behalf of HNZ Consultants	4,420,000	3.07%	3,400,000	3.07%	30.00%
Ananke Trustee Company Private Limited on behalf of Amalthea Discretionary Trust	874,530	0.61%	1,472,716	1.33%	-40.62%
Ananke Trustee Company Private Limited on behalf of Amalthea Consultants	4,160,000	2.89%	3,200,000	2.89%	30.00%
TOTAL	96,713,943	67.13%	79,895,342	72.12%	

16. NON-CURRENT FINANCIAL LIABILITY-BORROWINGS

Particulars	**As at March 31, 2023 ₹ in crore**	As at March 31, 2022 ₹ in crore
Secured		
Term loans		
From Banks (Refer note 16.2 below)	**10**	51
From Financial Institutions (Refer note 16.1 below)	**–**	–
Non-Convertible Debentures (Refer notes 16.3 below)	**–**	–
Other Term loans (Refer note 16.5 below)	**–**	–
Unsecured		
Other Term loans (Refer note 16.5 below)	**–**	44
Non-Convertible Debentures (Refer notes 16.3 below)	**–**	49
Loans from Department of Science and Technology, Government of India ['GOI'] (Refer notes 16.4 below)	**2**	2
TOTAL	**12**	146

Note 16.1

During the year, the Company has repaid its term loan in entirety and the charge created has been released.

Note 16.2

During the year, the Company has repaid its entire loan from IDBI Bank and Bank of Maharashtra ('BOM'). The Company is in the process of releasing the charge created on the fixed assets (present and future, located at all locations other than plants at Kadaiya, Daman) of the Company for the IDBI loan based on the 'No Dues certificate' received. The charge created against BOM loan has been released.

The term loan of ₹ 50 crore (Previous year - ₹ 90 crore) from Bank of Baroda ('BOB') is secured by first charge on pari passu basis on current assets, and fixed assets, present and future, located at all locations other than Units at Kadaiya, Daman. This term loan carries interest rate at One Year's MCLR plus 185 BPS and is repayable in 5 equal quarterly instalments by June 2024.

Note 16.3

25,000 (Previous year - 25,000), 13.75% (Previous year - 11.75%) Unsecured Non-Convertible Debentures of 90,000 each aggregating 225 crore are repayable at par as per below repayment schedule:

Redemption on	No. of debentures
October, 2024	1,334
June, 2024	1,833
May, 2024	4,722
April, 2024	2,833
December, 2023	9,167
June, 2023	5,111

Put/Call option:

Put/Call option for 5,000 debentures (alloted in October 2021) will vest in June 15, 2023, and each date falling at the expiry of 6 months thereafter. For the balance 20,000 debentures (alloted in April/May 2021), the Put/Call option has vested in December 15, 2022, and each date falling at the expiry of 6 months thereafter.

Further, the above Non- Convertible Debentures are secured against pledge of 198,75,000 equity shares of Company held by Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

Also these debentures are also secured by way of

a) first ranking charge/hypothecation of movable assets (all present and future rights) and paripassu with the exisitng lenders/charge holders of movable assets

b) first ranking and exclusive charge/hypothecation of escrow accounts and Cash top -Up account, and monies lying therein including DSRA (all present and future rights)

Note 16.4

Loans from GOI carry interest rate of 3% p.a. Loan amounting to ₹ 2 crore (Previous year- ₹ 3 crore) is repayable in equal annual instalments by March 2029.

Note 16.5

Loan others consists ₹ 35 crore (Previous year - 50) loan from Arka Fincap Limited carrying interest rate of 12.50% (Previous year - 11.75%) p.a. repayable in June 2023.

The above loan has been secured against pledge of 3,502,000 equity shares of Company held by Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

Also the aforesaid loan are also secured by way of

a) first ranking charge/hypothecation of movable assets (all present and future rights) and paripassu with the exisitng lenders/charge holders of movable assets

b) first ranking and exclusive charge/hypothecation of fixed deposit - ISRA accounts and Cash top -Up account, and monies lying therein

Note 16.6

Current maturities of the above borrowings have been disclosed under Note 18

17. PROVISIONS (NON-CURRENT)

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Provision for employee benefits (Refer note 37)		
Leave encashment (unfunded)	**9**	11
Gratuity (unfunded)	**17**	21
TOTAL	**26**	32

18. CURRENT FINANCIAL LIABILITY - BORROWINGS

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Secured		
Working capital facilities from banks (Refer Note 18.1 below)	**492**	450
Buyers' credit (Refer Note 18.2 below)	**16**	10
Purchase financing (Refer Note 18.3)	**19**	–
Unsecured		
Loan from related party (Refer Note 18.5 below and note 40)	**788**	574
Current maturities of long term debt (Refer Note 16)	**293**	410
TOTAL	**1,608**	1,444

Note 18.1

Working capital facilities from Banks are secured by way of:

(i) First charge on pari passu basis on present and future stock of raw materials, consumables, spares, semi-finished goods, finished goods, book debts and other current assets.

(ii) Second charge on pari passu basis by way of mortgage of immovable properties and hypothecation of movable fixed assets, both present and future, located at all locations (other than Units at Kadaiya in Daman).

Note 18.2

Buyers' credit/ Supplier's Credit are secured by way of first pari passu charge on the entire current assets and second pari passu charge on all fixed assets located at all locations other than Units at Kadaiya in Daman.

Note 18.3

Purchase financing from financial institution is secured against unconditional and irrevocable Bank Guarantees that stands as guarantee under this facility.

Note 18.4

Refer note 11 to 13 for carrying amount of current financial assets on which charge has been created.

Note 18.5

Loans from related parties carrying interest rate in the range of 6.05% p.a to 15.10% p a with a tenure of 1 year and subject to rollover by mutual consent. Subsequent to March 31, 2023, the terms of borrowings of ₹ 600 crores from related parties, which were current have been revised and now the repayment tenure for such borrowings have been extended to March 31, 2025, with an option to the Company to further renew the loan basis Company's assessment of cash flows and liquidity position on that date.

19. CURRENT FINANCIAL LIABILITY-TRADE PAYABLES

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Trade payables		
Outstanding dues of micro enterprises and small enterprises	**33**	45
Total outstanding dues of creditors other than micro enterprises and small enterprises	**524**	537
TOTAL	**557**	582
The carrying amount of trade payables as at reporting date approximates fair value		
Note 19.1 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006:		
a) Principal amount due to suppliers under MSMED Act, 2006 at the year end	**33**	45
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	**3**	2
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	**38**	30
d) Interest paid to suppliers under MSMED Act (Section 16)	**–**	–
e) Interest due and payable towards suppliers under MSMED Act for payments already made during the year	**3**	15
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	**23**	17

The identification of micro and small enterprises is basis intimation received from vendors

Note 19.2
Trade Payables ageing schedule:

		As at March 31, 2023					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed outstanding dues of micro enterprises and small enterprises	**8**	**22**	**–**	**3**	**–**	**33**
(ii)	Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	**113**	**220**	**70**	**50**	**71**	**524**
TOTAL		**121**	**242**	**70**	**53**	**71**	**557**

		As at March 31, 2022					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed outstanding dues of micro enterprises and small enterprises *	14	31	–	0	0	45
	* 2-3 years- ₹ 0.41 crore						
	* More than 3 years ₹ 0.27 crore						
(ii)	Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	92	280	66	23	76	537
TOTAL		106	311	66	23	76	582

20. CURRENT FINANCIAL LIABILITY-OTHERS

Particulars	**As at March 31, 2023 ₹ in crore**	As at March 31, 2022 ₹ in crore
Unpaid dividend*	**0**	0
*₹ 0.50 crore (Previous year - ₹ 0.50 crore)		
Other payables		
Security deposits	**13**	14
Employee liabilities	**37**	45
Payable for capital goods	**195**	202
Other liabilities (includes interest under MSMED Act referred in Note 19.1)	**23**	19
TOTAL	**268**	280

21. OTHER CURRENT LIABILITIES

Particulars	**As at March 31, 2023 ₹ in crore**	As at March 31, 2022 ₹ in crore
Payable for statutory dues	**14**	12
Advance received (including advance from subsidiary) (Refer note 40 and 42)	**74**	626
TOTAL	**88**	638

22. PROVISIONS (CURRENT)

Particulars	**As at March 31, 2023 ₹ in crore**	As at March 31, 2022 ₹ in crore
Provision for employee benefits (Refer note 37)		
Leave encashment (unfunded)	**5**	5
Gratuity (unfunded)	**8**	8
	13	13

Particulars	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Other provisions (Refer note 22.1 below)		
Provision for sales returns	12	15
	12	15
Total	25	28
Note 22.1		
Movement of provision for sales return		
Opening Balance	15	19
Recognised during the year	5	9
Utilised during the year	(8)	(13)
Closing Balance	12	15

Provision has been recognised for expected sales return on date expiry of products sold during 3 years.

23. REVENUE FROM OPERATIONS (REFER NOTE 39 AND 40)

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Sale of products	983	1,122
Sale of services	68	62
Sale of intellectual property	16	168
Other operating income - export incentives/cost recovery	5	20
Total	1,072	1,372

24. OTHER INCOME

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Interest income	4	8
Dividend received*	0	0
* ₹ 0.0014 crore (Previous year - ₹ 0.0014 crore)		
Exchange fluctuation gain, net	12	10
Other non-operating income (Refer note below)	51	20
Total	67	38

Note:

Other non-operating income includes:

(a) Liabilities no longer required written back ₹ 3 crore (Previous year - ₹ 2 crore).

(b) Guarantee fees Nil (Previous year - ₹ 3 crore) (Refer note 40)

(c) Reversal of allowance for expected credit loss and Bad debts recovered ₹14 crore (Previous year - ₹ 14 crore)

(d) Profit on sale of properties ₹ 29 crore (Previous year - Nil)

25. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Opening Inventories		
Finished goods	**127**	123
Stock in trade	**13**	24
Work-in-progress	**28**	23
Add: Inventory for Saleable Returns	**1**	1
TOTAL	**169**	171
Closing Inventories		
Finished goods	**68**	127
Stock in trade	**24**	13
Work-in-progress	**46**	28
Add: Inventory for Saleable Returns	**1**	1
TOTAL	**139**	169
(Increase)/Decrease in Inventories	**30**	2

26. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Salaries and wages (Refer note 37)	**213**	229
Contribution to provident and other funds (Refer note Note 37)	**14**	14
Share based payments to employees (Refer note Note 38)	**1**	1
Staff welfare expenses	**12**	17
TOTAL	**240**	261

27. FINANCE COSTS

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Interest expense		
On term loan	**18**	38
On lease liabilities	**38**	42
Others	**165**	178
Other borrowing costs	**8**	15
Net loss on foreign currency transactions and translation*	**0**	0
* ₹ 0.40 crore (Previous year - ₹ 0.14 crore)		
TOTAL	**229**	273

28. OTHER EXPENSES

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Traveling and conveyance	**28**	24
Freight and forwarding charges	**16**	24
Sales promotion and other selling cost	**21**	25
Commission on sales	**6**	8
Power and fuel	**54**	62
Stores and spare parts consumed	**15**	25
Chemicals	**17**	26
Rent and amenity charges (Refer note 33 and note 40)	**33**	31
Rates and taxes	**1**	3
Repairs to buildings	**1**	3

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Repairs to Plant and machinery	**7**	13
Repairs and Maintenance - others	**19**	20
Insurance	**12**	12
Legal and professional fees	**26**	35
Directors' sitting fees (Refer note 40)	**1**	1
Material for test batches	**1**	7
Equipment/Utility hire charges (Refer note 40)	**15**	17
Novation of Outlicensing Rights (Refer note 40)*	**3**	0
* ₹ 0.49 crore in previous year		
Clinical Trial Expenses	**16**	8
Miscellaneous expenses (Refer note 30 and 47)	**69**	69
TOTAL	**361**	413

29. EARNINGS PER SHARE

The calculations of Earnings per share (EPS) (basic and diluted) are based on the earnings and number of shares as computed below:

Reconciliation of earnings

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Loss attributable to equity holders of the Company	**(466)**	(140)
Profit / (loss) attributable to equity holders of the Company	**(466)**	(140)

Reconciliation of number of equity shares

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of shares in calculating Basic EPS	**144,064,321**	120,560,315
Add: Weighted average number of shares under ESOS	**241,372**	404,692

Earnings per share (face value ₹ 5/- each)		
Earnings per share - Basic in Rupees	**(32.40)**	(11.62)
Earnings per share - Diluted in Rupees	**(32.40)**	(11.62)

Basic and diluted earnings per share for the year ended March 31, 2022 have been adjusted appropriately for the bonus element in respect of rights issue made during previous year.

30. AUDITOR'S REMUNERATION (EXCLUDING GOODS AND SERVICE TAX)

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Audit Fees	**1**	1
Tax Audit Fees *	**0**	0
* ₹ 0.24 crore (Previous year - ₹ 0.24 crore)		
Other services**@	**0**	0
** ₹ 0.25 crore (Previous year - ₹ 0.40 crore)		
Out of pocket expenses *	**0**	0
* ₹ 0.13 crore (Previous year - ₹ 0.06 crore)		
TOTAL	**1**	1

@ Professional services fee relating to issuance of shares on rights basis amounting to ₹ 0.30 crore has been netted off from equity during the year ended March 31, 2022. Hence, not included in above.

31. The Company had reassessed the commercial prospects of the Nutrition Business and decided not to pursue it in near future and therefore, the Nutrition Business assets have been classified as assets held for disposal (Property, Plant and Equipments) amounting to ₹ 144 crore

Also the Company is in the process of disposing certain land located at Aurangabad and Ankaleshwar amounting ₹ 35 crore, and has accordingly classified the same as 'Asset held for Sale'.

32. SEGMENT REPORTING

As the Company's annual report contains both Consolidated and Standalone Financial Statements, segmental information is presented only in the Consolidated Financial Statement.

33. LEASES

Lease liability as on the balance sheet date is as follows:

	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Non - current portion	**315**	359
Current	**78**	75
TOTAL	**393**	434

The weighted average incremental borrowing rate used for discounting is in the range of 7.30% to 9.65%

Refer Note 27 for Interest on lease Liabilities

Also refer Note 4 for details of Right-of-Use Assets and depreciation thereon.

The summary of practical expedients elected on initial application are as follows:

The Company has availed the exemption of not recognising right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

The Company’s lease asset classes primarily consist of leases for land and buildings. The leases for land/buildings are generally for a period ranging 10 years to 99 years. These leases can be extended for further 10 years to 99 years by mutual consent. Office premises are generally for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. There are no restrictions imposed by lease arrangements or contingent rent payable. Certain portion of the land has been subleased.

In case of land that have been leased out for 95 years to 99 years, there are no material annual payments for the aforesaid leases

Rental expenses on leases for a period of less than 12 months amounting to ₹ Nil (Previous year - ₹ 0.10 crore) and rent for low value assets amounting to ₹ 0.14 crore (Previous year - ₹ 0.46 crore) have been included under "Note 28 - Other expenses" under Rent.

Further, Refer Note 42 for maturity profile of lease liabilities.

34. EXCEPTIONAL ITEMS:

i) The Company had accounted for a contract asset of ₹ 50 crores pursuant to a contract manufacturing agreement. The Customer is yet to fulfil its contractual obligations and commitments. Though, the Company is pursuing various options and taking necessary actions related to this matter, given the uncertainty, Company has provided for this contract asset and has disclosed it as 'Exceptional items'.

ii) Further, during the year, the Company has received the approval from concerned Authorised dealer (AD) for adjusting the receivables booked against services/assignment of new chemical entities to Wockhardt Bio AG (the Company's foreign subsidiary) against the advances received from the aforesaid subsidiary, resulting in foreign exchange loss of ₹ 185 crore. This has been disclosed as 'Exceptional items'. Also refer note 42 - Financial risk management- Exposure to currency risk

35. CAPITAL EXPENDITURE ON RESEARCH AND DEVELOPMENT:

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Intangibles under development	**11**	346
Other additions*	**0**	15
* ₹ 0.31 crore in current year		
TOTAL	**11**	361

36. THE AGGREGATE AMOUNT OF REVENUE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT AND CHARGED TO STATEMENT OF PROFIT AND LOSS IS AS UNDER:

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Chemicals and consumables	2	7
Employee cost	47	48
Travelling expenses	3	3
Power and fuel	7	6
Repair and maintenance	2	4
Printing and stationery *	0	0
* ₹ 0.35 crore (Previous year - ₹ 0.28 crore)		
Communication expenses *	0	0
* ₹ 0.20 crore (Previous year - ₹ 0.26 crore)		
Clinical trial expenses	16	8
Analysis expenses	1	1
Legal and professional expenses*	0	1
* ₹ 0.25 crore in current year		
Other Research and Development expenses	8	17
TOTAL	**86**	95

37. EMPLOYEE BENEFITS

(A) Defined benefit plans:

Gratuity liability is provided in accordance with the provisions of the Payment of Gratuity Act, 1972 based on actuarial valuation. The plan provides a lump sum gratuity payment to eligible employee at retirement, termination of their employment or death of the Employee. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date from Continuing and Discontinued business:

Particulars	For the year ended March 31, 2023 Gratuity (Non-funded) ₹ in crore	For the year ended March 31, 2022 Gratuity (Non-funded) ₹ in crore
I. Expenses recognised in Profit or Loss:		
1. Current Service Cost	2	3
2. Interest cost	2	1
Total Expenses	**4**	4
II. Expenses recognised in Other Comprehensive income:		
1. Actuarial changes arising from changes in demographic assumptions*	0	–
*0.23 crore in current year		
2. Actuarial changes arising from changes in financial assumptions	(3)	(1)
3. Actuarial changes arising from changes in experience adjustments	(1)	2
Total Expenses®	**(4)**	1
III. Net Asset /(Liability) recognised as at balance sheet date:		
1. Present value of defined benefit obligation	25	30
Net Asset /(Liability)	(25)	(30)

Particulars	For the year ended March 31, 2023 Gratuity (Non-funded) ₹ in crore	For the year ended March 31, 2022 Gratuity (Non-funded) ₹ in crore
IV. Reconciliation of Net Asset / (Liability) recognised as at balance sheet date:		
1. Net Asset/(Liability) at the beginning of year	**(30)**	(28)
2. Expense as per (I) & (II) above	**–**	(5)
3. Benefit paid	**5**	3
4. Net asset/(liability) at the end of the year	**(25)**	(30)
V. Maturity profile of defined benefit obligation		
1. Within the next 12 months (next annual reporting period)	**8**	8
2. Between 2 and 5 years	**14**	16
3. Between 6 and 10 years	**8**	9
4. Weighted average duration (years)	**4**	4
VI. Quantitative sensitivity analysis for significant assumptions is as below:		
1. Increase/(decrease) on present value of defined benefit obligation at the end of the year		
(i) 0.5 percent point increase in discount rate	**(0.39)**	(0.51)
(ii) 0.5 percent point decrease in discount rate	**0.41**	0.53
(iii) 0.5 percent point increase in rate of salary increase	**0.41**	0.51
(iv) 0.5 percent point decrease in rate of salary increase	**(0.40)**	(0.51)
(v) 10 percent point increase in attrition rate	**0.30**	0.16
(vi) 10 percent point decrease in attrition rate	**(0.33)**	(0.19)
2. Sensitivity analysis method		
Sensitivity analysis is determined based on the expected movement in liability by varying a single parameter while keeping all the other parameters unchanged.		
VII. Actuarial Assumptions:		
1. Discount rate	**7.30%**	6.20%
2. Expected rate of salary increase	**1% p.a**	3% p.a
3. Attrition rate	**40% at lower service reducing to 15% at higher service**	35% at lower service reducing to 16% at higher service
4. Mortality	**Age 20 years - 0.09%; Age 30 years - 0.10%; Age 40 years - 0.17% Age 50 years - 0.44% Age 60 years - 1.12%**	Age 20 years - 0.09%; Age 30 years - 0.10%; Age 40 years - 0.17% Age 50 years - 0.44% Age 60 years - 1.12%

Notes:

(a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 26 under Salaries and wages: Gratuity ₹ 4 Crore (Previous year - ₹ 4 crore) and Leave encashment ₹ 3 crore (Previous year - ₹ 3 crore).

(b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(c) The plan above is typically exposed to actuarial risk such as Mortality risk, withdrawal rate risk and salary risk

- Mortality risk: The present value of the Defined benefit plan liability is calculated by reference to the best estimate of the mortality plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Withdrawal rate risk: The plan faces the withdrawal rate risk. If the actual withdrawal rate is higher, the benefits would be paid earlier than expected.
- Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(B) Defined contribution plan:

The Company makes contributions towards provident fund and superannuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Amount recognised as an expense in the Statement of Profit and Loss - included in Note 26 - Contribution to provident and other funds:

Particulars	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Provident fund	12	12
Others (Employee State insurance and other funds)	2	2
TOTAL	14	14

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

38. SHARE BASED PAYMENTS TO EMPLOYEES

ESOS Compensation Committee of the Board of Directors has, under Wockhardt Stock Option Scheme -2011 ('the Scheme' or 'ESOS') granted 60,000 options @ ₹ 397/- per option (Grant 1), another 60,000 options @ ₹ 365/- per option (Grant 2), 1,420,000 options @ ₹ 5/- per option (Grant 3), 350,000 options @ ₹ 5/- per option (Grant 4), 8,500 options @ ₹ 5/- per option (Grant 5), 200,000 options @ ₹ 5/- per option (Grant 6), 223,500 options @ ₹ 5/- per option (Grant 7) 76,000 options @ ₹ 5/- per option (Grant 8), 90,750 options @ ₹ 5/- per option (Grant 9) and 19,300 options @ ₹ 5/- per option (Grant 10) in accordance with the provisions of Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014, to the selected employees of the Company and its subsidiaries. The method of settlement is by issue of equity shares to the selected employees who have exercised the options. The scheme shall be administered by ESOS compensation committee of Board of directors.

The options issued vests in periods ranging 1 year to 7 years 6 months from the date of grant, and can be exercised during such period not exceeding 7 years.

Employee stock option activity under Scheme 2011 is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Outstanding at beginning of the year	362,225	553,500
b) Granted during the year	19,300	90,750
c) Lapsed during the year (re-issuable)*	59,900	247,675
d) Exercised during the year (and shares allotted)*	28,170	34,350
e) Outstanding at the end of the year:	293,455	362,225
of which Options vested and exercisable at the end of the year	193,855	245,925
* weighted average exercise price ₹ 5 per share		
Range of weighted average share price on the date of exercise per share	₹ 206- ₹ 224	₹ 452 – ₹ 510
Weighted average share price for the period	₹ 232	₹ 466
Range of weighted average fair value of options on the date of grant per share	₹ 264 – ₹ 967	₹ 297 – ₹ 967

No option have been forfeited during the year or in the previous year.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value of the options have been computed as per the Black Scholes Pricing Model		
The key assumptions used to estimate the fair value of options are:		
Range of stock price at the time of option grant (₹ Per share)	₹ 269 - ₹ 971	₹ 301 - ₹ 971
Range of expected life	1 year - 8 years	1 year - 8 years
Range of risk free interest rate	5% - 9%	4% - 9%
Range of Volatility	36% - 88%	36% - 88%
Range of weighted average exercise price (₹ Per share)	₹ 5	₹ 5
Range of Weighted average remaining contractual life	0.01 year - 12 years	1 year - 12 years

The working of stock prices has been done by taking historical price movement of the closing prices which includes change in price due to dividend, hence dividend is not factored separately. Volatility is based on the movement of stock price on NSE based on the price data for last 12 months upto the grant date.

39. REVENUE:

(a) As per Ind AS 115: "Revenue from Contracts with Customers", the Company has classified its Revenue as:

– Sale of products and services: Revenue is recognised when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control over the promised goods and/or services to the customer. This transfer of control is generally at a point of time of shipment to or receipt of products by the customer or when the services are performed. The amount of Revenue to be recognised is based on the consideration the Company expects to receive in exchange for its goods/services. If the contract contains more than one obligation, the consideration is allocated based on the standalone selling price of each performance obligation.

Rebates, discounts, commissions and bonuses (including cash discounts offered to customers for prompt payment) are provided and recorded as deduction from revenue at the time the related revenue is recorded. These rebates are calculated based on the historical experience and the specific terms in individual agreements. Sales returns are recognised and recorded as deductions based on historical experience of customer returns. and such other relevant factors.

– Sale of intellectual property, Assignment of New Chemical Entity, Sale of Trademarks and Outlicensing fees: Revenue is recognised when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control to the customer taking into consideration the specific terms of the agreement and when the risk of reversal of revenue recognition is remote.

There is no significant financing component as the credit period provided by the Company is not significant.

Variable components such as discounts, sales returns etc. continues to be recognised as deductions from revenue in compliance with Ind AS 115.

(b) Disaggregation of Revenue from continuing operations:

Particulars (for details refer note 23)	**For the year ended March 31, 2023 ₹ in crore**	For the year ended March 31, 2022 ₹ in crore
Total revenue from Customers	**1,067**	1,352
Other Operating income	**5**	20
TOTAL	**1,072**	1,372

(c) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	**For the year ended March 31, 2023 ₹ in crore**	For the year ended March 31, 2022 ₹ in crore
Total Gross revenue, net of estimated returns as refered in Note 22.	**1,069**	1,355
Less: Discounts	**(2)**	(3)
Revenue from contract with customers	**1,067**	1,352
Other Operating income	**5**	20
TOTAL	**1,072**	1,372

40. RELATED PARTY DISCLOSURES

As per Ind AS 24, the list of Related Parties and disclosure of transactions with these parties are given below:

(a) *Parties where control /significant influence exists*

Subsidiary Companies (including step down subsidiaries)

1 Wockhardt UK Holdings Limited
2 CP Pharmaceuticals Limited
3 CP Pharma (Schweiz) AG
4 Wallis Group Limited
5 The Wallis Laboratory Limited
6 Wockhardt Farmaceutica Do Brasil Ltda
7 Wallis Licensing Limited
8 Wockhardt Infrastructure Development Limited
9 Z & Z Services
10 Wockhardt Europe Limited
11 Wockhardt Nigeria Limited
12 Wockhardt USA LLC
13 Wockhardt UK Limited
14 Wockpharma Ireland Limited

15 Pinewood Laboratories Limited
16 Pinewood Healthcare Limited
17 Laboratoires Negma S.A.S.
18 Wockhardt France (Holdings) S.A.S.
19 Wockhardt Holding Corp
20 Morton Grove Pharmaceuticals, Inc.
21 MGP Inc.
22 Laboratoires Pharma 2000 S.A.S. (upto September 26, 2022)
23 Niverpharma S.A.S. (upto September 26, 2022)
24 Negma Beneulex S.A. (upto September 23, 2022)
25 Phytex S.A.S. (upto September 26, 2022)
26 Wockhardt Farmaceutica SA DE CV
27 Wockhardt Services SA DE CV
28 Wockhardt Bio AG
29 Wockhardt Bio (R) LLC
30 Wockhardt Bio Pty Limited
31 Wockhardt Bio Limited
32 Wockhardt Medicines Limited
33 Wockhardt Biologics Limited (w.e.f July 02, 2021)

Other parties exercising control

Humuza Consultants*

* Themisto Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

Habil Khorakiwala Trust**

** Themisto Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Habil Khorakiwala Trust.

(b) ***Other related party relationships where transactions have taken place during the year***

Enterprises over which Key Managerial Personnel exercise significant influence/control

Palanpur Holdings and Investments Private Limited
Khorakiwala Holdings and Investments Private Limited
Wockhardt Hospitals Limited
Merind Limited
Wockhardt Foundation
Carol Info Services Limited
Dr. Habil Khorakiwala Education and Health Foundation (Trust) - [Wockhardt Global School]
Corival Lifesciences Private Limited
Wockhardt Regenerative Private Limited
Denarius Estate Development Private Limited
Banneret Trading Private Limited
Dartmour Holding Private Limited
Amadou Estate Development Private Limited
Shravan Constructions Private Limited
Holmdene Constructions
Sharanya Chemicals and Pharmaceuticals Private Limited
Khorakiwala Foundation
Themisto Trustee Company Private Limited
Amalthea Consultants#
Ananke Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Amalthea Discretionary Trust (ADT) which in turn holds these shares in its capacity as the partner of the partnership firm Amalthea Consultants.
Genista Trading and Services Private Limited
Ananke Trustee Company Private Limited
Callirhoe Trustee Company Private Limited
HNZ Consultants
HNZ Discretionary trust
Amalthea Discretionary trust
Lysithea Consultants
Lysithea Discretionary trust
Adrastea Trading and Services LLP

HZ Trading and Services LLP
HNZ Trading and Services LLP
Pasithee Trustee Company Private Limited
Megaclite Trading Private Limited
Impala Advisory Services Private Limited
Sinope Advisory Services Private Limited
Step Forward Advisory Services Private Limited
Kendo Advisory Services Private Limited
Lysithea Trading and Services LLP
Helike Trading and Services LLP
Amalthea Trading and Services LLP
Dr. Habil Khorakiwala Education and Health Foundation

Key managerial personnel

Habil Khorakiwala - Chairman
Aman Mehta - Non-Executive Independent Director
D S Brar - Non-Executive Independent Director
Sanjaya Baru - Non-Executive Independent Director
Tasneem Mehta - Non-Executive Independent Director
Vinesh Kumar Jairath - Non-Executive Independent Director
Akhilesh Gupta - Non-Executive Independent Director
Rima Marphatia - (Nominee Director from Export-Import Bank of India) ceases to be a Director of the Company w.e.f. August, 03, 2022
Huzaifa Khorakiwala - Executive Director
Murtaza Khorakiwala - Managing Director
Zahabiya Khorakiwala - Non-Executive Non- Independent Director

Relatives of Key managerial personnel

N. H. Khorakiwala
Miqdad H Khorakiwala

(C) Transactions with related parties during the Year:
(All the amounts mentioned below for the disclosure are the contractual amounts based on the arrangement with respective parties)

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Subsidiary Companies (including step down subsidiaries)		
Management and Technical fees [CP Pharmaceuticals Limited ₹ 0.16 crore (Previous year - ₹ 0.21 crore), Wockhardt UK Limited ₹ 0.45 crore (Previous year - ₹ 0.44 crore), Wockhardt USA LLC ₹ 0.09 crore (Previous year - ₹ 0.10 crore), Wockhardt Bio AG ₹ 4 crore (Previous year - ₹ 4 crore), Pinewood Laboratories Limited ₹ 1 crore (Previous year - ₹ 1 crore), Morton Grove Pharmaceuticals, Inc. ₹ 1 crore (Previous year - ₹ 1 crore), Wockhardt Bio (R) LLC ₹ 0.03 crore (Previous year - ₹ 0.04 crore)]	**7**	7
Sales [CP Pharmaceuticals Limited ₹ 1 crore (Previous year - ₹ 0.17 crore), Wockhardt Bio AG ₹ 106 crore (Previous year - ₹ 130 crore), Wockhardt Bio (R) LLC ₹ 21 crore (Previous year - ₹ 21 crore)]	**128**	151
Rent and Utility fees to Wockhardt Infrastructure Development Limited	**30**	32
Investment in equity share of Wockhardt Biologics Limited*	**–**	0
*₹ 0.03 crore in previous year		
Lease rent income[Wockhardt Biologics Limited ₹ 0.01 crore (Previous year - Nil), Wockhardt Medicines Limited ₹ 0.02 crore (Previous year- Nil), Wockhardt Infrastructure Development Limited ₹ 1 crore (Previous year - Nil)]	**1**	–
Recovery of Support service cost [Wockhardt Biologics Limited ₹ 0.02 crore (Previous year - Nil), Wockhardt Medicines Limited ₹ 0.04 crore (Previous year Nil), Wockhardt Infrastructure Development Limited ₹ 0.76 crore (Previous year - Nil)]	**1**	–
Purchase of intellectual property from Wockhardt Bio AG	**–**	336
Research and Development service income from Wockhardt Bio AG	**51**	52
Sale of intellectual property to Wockhardt Bio AG	**–**	152
Guarantee fees income from Wockhardt Bio AG	**–**	3
Land Premium to Wockhardt Infrastructure Development Limited *	**0**	0
*₹0.03 crore (Previous year - ₹ 0.03 crore)		
Transfer of fixed assets to the Company [Wockhardt Bio AG Nil (Previous year- ₹ 0.01 crore), C P Pharmaceuticals Limited ₹ 3 crore (Previous year - Nil)]	**3**	0
Expenses recovered [Morton Grove Pharmaceuticals, Inc. ₹ 0.03 crore (Previous year - ₹ 4 crore), Wockhardt USA LLC ₹ 0.12 crore (Previous year - ₹ 0.04 crore), Wockhardt Bio AG ₹ 0.05 crore (Previous year - ₹ 0.09 crore), Wockhardt UK Limited ₹ 0.40 crore (Previous year- ₹ 0.26 crore), Pinewood Laboratories Limited ₹ 0.17 crore (Previous year - ₹ 0.08 crore), Wockhardt Bio (R) LLC ₹ 0.02 crore (Previous year - ₹ 0.04 crore), C P Pharmaceuticals Limited ₹ 0.14 crore (Previous year- Nil), Wockhardt Infrastructure Development Limited ₹ 0.02 crore (Previous year- Nil)]	**1**	5

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Reimbursement of expenses [Wockhardt Bio AG ₹ 4 crore (Previous year - ₹ 3 crore), CP Pharmaceuticals Limited ₹ 0.002 crore (Previous year - ₹ 0.44 crore), Wockhardt UK Limited ₹ 3 crore (Previous year- ₹ 0.07 crore), Wockhardt Bio (R) LLC ₹ 1 crore (Previous year - ₹ 4 crore)]	**8**	8
Purchase of raw material/consumables from Wockhardt Bio AG*	**–**	0
* Previous year- ₹ 0.26 crore		
Novation of Outlicensing Rights charged by Wockhardt Bio AG	**3**	1
Advance paid by Wockhardt Bio AG on behalf of the Company	**–**	22
Advances Received against Export of Goods and Services from Wockhardt Bio AG	**–**	75
Advances received for supply of goods and services adjusted with outstanding receivable from Wockhardt Bio AG. Also refer note 42	**565**	–
Key managerial personnel		
Remuneration [Chairman ₹ 3 crore (Previous year - ₹ 2 crore), Managing Director ₹ 2 crore (Previous year - ₹ 2 crore), Executive Director ₹ 2 crore (Previous year - ₹ 2 crore)]	**7**	6
Contribution to Provident fund [Chairman ₹ 0.42 crore (Previous year - ₹ 0.45 crore), Managing Director ₹ 0.36 crore (Previous year - ₹ 0.42 crore), Executive Director ₹ 0.36 crore (Previous year - ₹ 0.42 crore)]	**1**	1
Director sitting fee paid [D S Brar ₹ 0.17 crore (Previous year - ₹ 0.15 crore), Sanjaya Baru ₹ 0.16 crore (Previous year - ₹ 0.14 crore), Tasneem Mehta ₹ 0.16 crore (Previous year - ₹ 0.14 crore), Aman Mehta ₹ 0.16 crore (Previous year - ₹ 0.14 crore), Vinesh Kumar Jairath ₹ 0.16 crore (Previous year - ₹ 0.15 crore), Zahabiya Khorakiwala ₹ 0.04 crore (Previous year- ₹ 0.06 crore), Rima Marphatia ₹ 0.03 crore (Previous year - ₹ 0.05 crore), Akhilesh Gupta ₹ 0.16 crore (Previous year - ₹ 0.14 crore)]	**1**	1
Investment in Equity Shares of Wockhardt Biologics Limited [Managing Director Nil (Previous year - ₹ 0.000001 crore), Executive Director ₹ Nil crore (Previous year - ₹ 0.000001 crore)]	**–**	**0**
Proceeds from Right issue of Equity shares [Chairman ₹ Nil (Previous year- ₹ 3 crore), Managing Director ₹ Nil (Previous year- ₹ 2 crore), Executive director ₹ Nil (Previous year- ₹ 1 crore)]	**–**	**6**
Relatives of Key managerial personnel		
Proceeds from Right issue of Equity shares [N.H. Khorakiwala ₹ Nil (Previous year- ₹ ₹ 0.02 crore), Miqdad H Khorakiwala ₹ Nil (Previous year- ₹ ₹ 0.01 crore)]	**–**	0
Other parties exercising control		
Loan taken from Humuza Consultants	**–**	177
Loan repaid to Humuza Consultants	**–**	544
Interest accrued in previous year, paid during the year on loan from Humuza Consultants	**26**	–
Interest cost on Loan taken from Humuza Consultants	**–**	41
Proceeds from Right issue of Equity shares [Humuza Consultants Nil (Previous year - ₹ 402 crore) and Habil Khorakiwala Trust Nil (Previous year - ₹ 15 crore)]	**–**	417
Recovery of Support Service Cost [Humuza Consultants ₹ 0.05 crore (Previous year- Nil), Habil Khorakiwala Trust ₹ 0.05 crore (Previous year- Nil)]	**0**	–
Lease rent income [Humuza Consultants ₹ 0.04 crore (Previous year- Nil), Habil Khorakiwala Trust ₹ 0.04 crore (Previous year- Nil)]	**0**	–
Enterprise over which Key Managerial Personnel exercise significant influence/Control		
Rent paid [Palanpur Holdings and Investments Private Limited ₹ 1 crore (Previous year - ₹ 1 crore), Carol Info Services Limited ₹ 91 crore (Previous year - ₹ 85 crore)]*	**92**	86
* rent paid has been disclosed as Right of use assets and Lease liabilities in accordance with Ind AS 116		
Donation given to [Wockhardt Foundation Nil (Previous year- ₹ 0.08 crore), Dr. Habil Khorakiwala Education and Health Foundation ₹ 0.16 crore (Previous year- Nil)	**0**	0
Reimbursement of Expenses to Carol Info Services Limited	**1**	1
Accruals on account of re-imbursement of costs and use of property	**7**	–
Rent and other miscellaneous income [Wockhardt Hospitals Limited Nil (Previous year - ₹ 0.01 crore), Wockhardt Foundation ₹ 0.0003 crore (Previous year - ₹ 0.0002 crore), Dr. Habil Khorakiwala Education and Health Foundation (Trust) ₹ 0.002 crore (Previous year - ₹ 0.0006 crore), Dr. Habil Khorakiwala Education and Health Foundation (Company) ₹ 0.04 crore (Previous year -Nil)]	**0**	0
Sale of Finished goods to Wockhardt Hospitals Limited*	**–**	0
* Previous year - ₹ 0.001 crore		
Sale of Fixed asset to Wockhardt Regenerative Private Limited (Previous year - ₹ 0.03 crore)	**–**	0

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Research and Development services provided to Wockhardt Regenerative Private Limited	**11**	–
Salary paid to the teaching staff of Wockhardt Global School	**3**	3
Recovery of Utility Fees from Wockhardt Global School	**1**	1
The Company has given school premises on lease to Wockhardt Global School without rent		
Loan taken from [Khorakiwala Holdings and Investments Private Limited ₹ 7 crore (Previous year - ₹ 270 crore), Merind Limited ₹ 17 crore (Previous year - ₹ 15 crore), Amalthea Consultants ₹ 7 crore (Previous year - ₹ 185 crore), Themisto Trustee Company Private Limited Nil (Previous year - ₹214 crore), Ananke Trustee Company Private Limited ₹ 142 crore (Previous year - ₹277 crore), Callirhoe Trustee Company Private Limited ₹ 155 crore (Previous year - ₹ 211 crore)]	**328**	1,172
Interest on loan taken [Khorakiwala Holdings and Investments Private Limited ₹ 18 crore (Previous year - ₹ 8 crore), Merind Limited - ₹ 6 crore (Previous year - ₹ 7 crore), Amalthea Consultants ₹ 0.22 crore (Previous year - ₹ 8 crore), Themisto Trustee Company Private Limited - ₹ 0.001 crore (Previous year - ₹ 4 crore), Ananke Trustee Company Private Limited ₹ 5 crore (Previous year - ₹ 4 crore), Callirhoe Trustee Company Private Limited - ₹ 19 crore (Previous year - ₹ 2 crore)]	**48**	33
Loan repaid [Khorakiwala Holdings and Investments Private Limited ₹ 1 crore (Previous year - ₹ 49 crore), Merind Limited ₹8 crore (Previous year - ₹ Nil), Amalthea Consultants ₹ 7 crore (Previous year - ₹ 185 crore), Themisto Trustee Company Private Limited ₹ 0.41 crore (Previous year - ₹ 214 crore), Ananke Trustee Company Private Limited - ₹ Nil (Previous year - ₹ 277 crore), Callirhoe Trustee Company Private Limited ₹ 100 crore (Previous year - ₹ 34 crore)]	**116**	759
Payment of Accrued interest [Amalthea Consultants ₹ 7 crore (Previous year - Nil), Themisto Trustee Company Private Limited ₹ 4 crore (Previous year- Nil); Ananke Trustee Company Private Limited ₹4 crore (Previous year- Nil)	**15**	–
Lease rent income [Khorakiwala Holdings and Investments Private Limited ₹1 crore (Previous year - Nil), Merind Limited ₹ 1 crore (Previous year - Nil), Amalthea Consultants ₹ 0.04 crore (Previous year -Nil), Themisto Trustee Company Private Limited ₹0.04 crore (Previous year - Nil), Ananke Trustee Company Private Limited ₹ 0.04 crore (Previous year - Nil), Callirhoe Trustee Company Private Limited ₹ 0.04 crore (Previous year - Nil), Denarius Estate Deveopment Private Limited ₹ 0.04 crore (Previous year -Nil), Adrastea Trading and Services LLP ₹ 0.04 crore (Previous year - Nil), Lysithea Consultants ₹ 0.04 crore (Previous year - Nil), Lysithea Discretionary Trust ₹ 0.04 crore (Previous year - Nil), Banneret Trading Private Limited ₹ 0.04 crore (Previous year - Nil), HZ Trading and Services LLP ₹ 0.04 crore (Previous year - Nil), HNZ Discretionary Trust ₹ 0.04 crore (Previous year - Nil), Dartmour Holdings Private Limited ₹ 0.04 crore (Previous year - Nil), Amadou Estate Development Private Limited ₹ 0.04 crore (Previous year - Nil), Shravan Constructions Private Limited ₹ 0.04 crore (Previous year - Nil), Sharanya Chemicals and Pharmaceuticals Private Limited ₹ 0.04 crore (Previous year - Nil), HNZ Trading Services LLP ₹ 0.04 crore (Previous year - Nil), HNZ Consultants ₹ 0.04 crore (Previous year - Nil), Khorakiwala Foundation ₹ 0.04 crore (Previous year - Nil), Pasithee Trustee Company Private Limited ₹ 0.04 crore (Previous year - Nil), Megaclite Trading Private Limited ₹ 0.04 crore (Previous year - Nil), Genista Trading and Services Private Limited ₹ 0.04 crore (Previous year - Nil), Impala Advisory Services Private Limited ₹ 0.04 crore (Previous year - Nil), Sinope Advisory Services Private Limited ₹ 0.04 crore (Previous year - Nil), Step Forward Advisory Services Private Limited ₹ 0.04 crore (Previous year - Nil), Kendo Advisory Services Private Limited ₹ 0.04 crore (Previous year - Nil), Lysithea Trading and Services LLP ₹ 0.04 crore (Previous year - Nil), Helike Trading and Services LLP ₹ 0.04 crore (Previous year - Nil), Amalthea Trading and Services LLP ₹ 0.04 crore (Previous year - Nil), Amalthea Discretionary Trust ₹ 0.04 crore (Previous year - Nil), Wockhardt Hospitals Limited ₹ 0.05 crore (Previous year- Nil), Wockhardt Regenerative Private Limited ₹ 0.02 crore (Previous year- Nil), Palanpur Holdings and Investments Private Limited ₹ 1 crore (Previous year - Nil)]	**4**	–
Recovery of Support Service Cost [Khorakiwala Holdings and Investments Private Limited ₹1 crore (Previous year - Nil), Merind Limited ₹ 1 crore (Previous year - Nil), Amalthea Consultants ₹ 0.05 crore (Previous year -Nil), Themisto Trustee Company Private Limited ₹0.05 crore (Previous year - Nil), Ananke Trustee Company Private Limited ₹ 0.05 crore (Previous year - Nil), Callirhoe Trustee Company Private Limited ₹ 0.05 crore (Previous year - Nil), Denarius Estate Deveopment Private Limited ₹ 0.05 crore (Previous year -Nil), Adrastea Trading and Services LLP ₹ 0.05 crore (Previous year - Nil), Lysithea Consultants ₹ 0.05 crore (Previous year - Nil), Lysithea Discretionary Trust ₹ 0.05 crore (Previous year - Nil), Banneret Trading Private Limited ₹ 0.05 crore (Previous year - Nil), HZ Trading and Services LLP ₹ 0.05 crore (Previous year - Nil), HNZ Discretionary Trust ₹ 0.05 crore (Previous year - Nil), Dartmour Holdings Private Limited ₹ 0.05 crore (Previous year - Nil), Amadou Estate Development Private Limited ₹ 0.05 crore (Previous year - Nil), Shravan Constructions Private Limited ₹ 0.05 crore (Previous year - Nil), Sharanya Chemicals and Pharmaceuticals Private Limited ₹ 0.05 crore (Previous year - Nil), HNZ Trading Services LLP ₹ 0.05 crore (Previous year - Nil), HNZ Consultants ₹ 0.05 crore (Previous year - Nil), Khorakiwala Foundation ₹ 0.05 crore (Previous year - Nil), Pasithee Trustee Company Private Limited ₹ 0.05 crore (Previous year - Nil), Megaclite Trading Private Limited ₹ 0.05 crore (Previous year - Nil), Genista Trading and Services Private Limited ₹ 0.05 crore (Previous year - Nil), Impala Advisory Services Private Limited ₹ 0.05 crore (Previous year - Nil), Sinope Advisory Services Private Limited ₹ 0.05 crore (Previous year - Nil), Step Forward Advisory Services Private Limited ₹ 0.05 crore (Previous year - Nil), Kendo Advisory Services Private Limited ₹ 0.05 crore (Previous year - Nil), Lysithea Trading and Services LLP ₹ 0.05 crore (Previous year - Nil), Helike Trading and Services LLP ₹ 0.05 crore (Previous year - Nil), Amalthea Trading and Services LLP ₹ 0.05 crore (Previous year - Nil), Amalthea Discretionary Trust ₹ 0.05 crore (Previous year - Nil), Carol Info Services Limited ₹ 2.40 crore (Previous year- Nil), Wockhardt Hospitals Limited ₹ 0.05 crore (Previous year- Nil), Wockhardt Regenerative Private Limited ₹ 3.31 crore (Previous year- Nil), Palanpur Holdings and Investments Private Limited ₹ 1 crore (Previous year - Nil)], Dr. Habil Khorakiwala Education and Health Foundation ₹ 0.05 crore (Previous year- Nil)	**10**	–

	For the year ended March 31, 2023 ₹ in crore	For the year ended March 31, 2022 ₹ in crore
Investment in Equity Shares of Wockhardt Biologics Limited purchased from Genista Trading and Services Private Limited	–	0
* ₹ 0.02 crore in previous year		
Expenses recovery from Holmdene Constructions*	**0**	–
* ₹ 0.01 crore in current year		
Proceeds from Right issue of Equity shares [Amalthea Consultants Nil (Previous year- ₹ 22 crore), HNZ Consultants Nil (Previous year - ₹ 23 crore), HNZ Discretionary trust Nil (Previous year- ₹ 3 crore), Amalthea Discretionary trust Nil (Previous year - ₹ 4 crore), Lysithea Consultants Nil (Previous year- ₹ 22 crore), Lysithea Discretionary trust Nil (Previous year- ₹ 5 crore)	–	79

(d) ***Related party balances***

(All the amounts mentioned below for the disclosure are the contractual amounts based on the arrangement with respective parties. Where such amounts are different from carrying amounts as per Ind AS financial statements, their carrying values have been separately disclosed in brackets.

	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Subsidiary Companies (including step down subsidiaries)		
Trade receivables [CP Pharmaceuticals Limited ₹ 2 crore (Previous year - ₹ 1 crore), Z&Z Services GmbH ₹ 0.09 crore (Previous year - ₹ 0.09 crore), Wockhardt USA LLC ₹ 3 crore (Previous year - ₹ 2 crore), Wockhardt Bio Pty Limited ₹ 0.02 crore (Previous year - ₹ 0.02 crore), Wockhardt Bio AG ₹ 264 crore (Previous year - ₹ 979 crore), Wockhardt UK Limited ₹ 3 crore (Previous year - ₹ 2 crore), Pinewood Laboratories Limited ₹ 6 crore (Previous year- ₹ 24 crore), Wockhardt Bio (R) LLC ₹ 2 crore (Previous year - ₹ 9 crore), Morton Grove Pharmaceuticals, Inc. ₹ 3 crore (Previous year - ₹ 2 crore), Laboratoires Negma S.A.S. ₹ 1 crore (Previous year - ₹ 1 crore), Wockhardt Farmaceutica SA DE CV. ₹ 6 crore (Previous year - ₹ 6 crore)]	**290**	1,026
Trade payables [CP Pharmaceuticals Limited ₹ 12 crore (Previous year - ₹ 12 crore), Wockhardt USA LLC ₹ 8 crore (Previous year - ₹ 8 crore), Wockhardt Bio AG ₹ 49 crore (Previous year - ₹ 43 crore), Wockhardt UK Limited ₹ 9.crore (Previous year - ₹ 5 crore), Wockhardt Infrastructure Development Limited ₹ 80 crore (Previous year - ₹ 64 crore), Pinewood Laboratories Limited ₹ 5 crore (Previous year - ₹ 23 crore), Wockhardt Bio (R) LLC ₹ 9 crore (Previous year - ₹ 7 crore), Morton Grove Pharmaceuticals, Inc. ₹ 3 crore (Previous year - ₹ 3 crore).	**175**	165
Payable for capital goods [CP Pharmaceuticals Limited ₹ 6 crore (Previous year - ₹ 3 crore), Wockhardt Bio AG ₹ 156 crore (Previous year - ₹ 171 crore), Pinewood Laboratories Limited ₹ 1 crore (Previous year- ₹ 2 crore)]	**163**	176
Advance from Wockhardt Bio AG against supplies	**17**	581
Guarantee fees receivable from Wockhardt Bio AG	**75**	69
Other Receivables against recovery of expenses [Morton Grove Pharmaceuticals, Inc. ₹ 6 crore (Previous year- ₹ 5 crore), Wockhardt Infrastructure Development Limited ₹ 2 crore (Previous year - Nil), Wockhardt Biologics Limited ₹ 0.03 crore (Previous year- Nil), Wockhardt Medicines Limited ₹ 0.06 crore (Previous year - Nil)	**8**	5
Security deposit given to Wockhardt Infrastructure Development Limited - Transaction value	**7**	7
[Carrying amount ₹ 1 crore (Previous year - ₹ 1 crore)]		
Corporate guarantees given on behalf of subsidiaries/step down subsidiaries - The loan has been repaid by the Subsidiary and it has received "No Dues Certificate from lendes. Also Refer note -45.		
Enterprise over which Key Managerial Personnel exercise significant influence/Control		
Trade receivables [Wockhardt Hospitals Limited ₹ 0.26 crore (Previous year - ₹ 0.27 crore), Wockhardt Foundation ₹ 0.01 crore (Previous year - ₹ 0.01 crore), Dr. Habil Khorakiwala Education and Health Foundation (Trust) ₹ 1 crore (Previous year - ₹ 2 crore), Wockhardt Regenerative Private Limited ₹ 1.88 crore (Previous year- Nil)]	**3**	2
Trade Payables [Wockhardt Hospitals Limited ₹ 1 crore (Previous year - ₹ 1 crore), Carol Info Services Limited ₹ 3 crore (Previous year - ₹ 4 crore), Palanpur Holdings and Investments Private Limited ₹ 5 crore (Previous year - ₹ 4 crore), Merind Limited ₹ 0.01 crore (Previous year - ₹ 0.01 crore)]	**9**	9
Loan taken including interest [Merind Limited ₹ 110 crore (Previous year - ₹ 96 crore), Khorakiwala Holdings and Investments Private Limited ₹ 281 crore (Previous year- ₹ 258 crore), Amalthea Consultants Nil (Previous year - ₹ 7 crore), Themisto Trustee Company Private Limited Nil (Previous year - ₹ 4 crore), Ananke Trustee Company Private Limited ₹ 146 crore (Previous year - ₹ 4 crore), Callirhoe Trustee Company Private Limited ₹ 252 crore (Previous year - ₹ 179 crore)]	**789**	548
Payable to Carol Info Services Limited	**7**	–
Security deposit given to Carol Info Services Limited - Transaction value	**56**	56
[Carrying amount ₹41 crore (Previous year - ₹ 38 crore)]		
Security deposit given to Palanpur Holdings and Investments Private Limited	**3**	3

	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Other receivables [Khorakiwala Holdings and Investments Private Limited ₹ 2 crore (Previous year - Nil), Merind Limited ₹ 2 crore (Previous year - Nil), Amalthea Consultants ₹ 0.10 crore (Previous year -Nil), Themisto Trustee Company Private Limited ₹ 0.10 crore (Previous year - Nil), Ananke Trustee Company Private Limited ₹ 0.10 crore (Previous year - Nil), Callirhoe Trustee Company Private Limited ₹ 0.10 crore (Previous year - Nil), Denarius Estate Development Private Limited ₹ 0.10 crore (Previous year -Nil), Adrastea Trading and Services LLP ₹ 0.10 crore (Previous year - Nil), Lysithea Consultants ₹ 0.10 crore (Previous year - Nil), Lysithea Discretionary Trust ₹ 0.10 crore (Previous year - Nil), Banneret Trading Private Limited ₹ 0.10 crore (Previous year - Nil), HZ Trading and Services LLP ₹ 0.10 crore (Previous year - Nil), HNZ Discretionary Trust ₹ 0.10 crore (Previous year - Nil), Dartmour Holdings Private Limited ₹ 0.10 crore (Previous year - Nil), Amadou Estate Development Private Limited ₹ 0.10 crore (Previous year - Nil), Shravan Constructions Private Limited ₹ 0.10 crore (Previous year - Nil), Sharanya Chemicals and Pharmaceuticals Private Limited ₹ 0.10 crore (Previous year - Nil), HNZ Trading Services LLP ₹ 0.10 crore (Previous year - Nil), HNZ Consultants ₹ 0.10 crore (Previous year - Nil), Khorakiwala Foundation ₹ 0.10 crore (Previous year - Nil), Pasithee Trustee Company Private Limited ₹ 0.10 crore (Previous year - Nil), Megaclite Trading Private Limited ₹ 0.10 crore (Previous year - Nil), Genista Trading and Services Private Limited ₹ 0.10 crore (Previous year - Nil), Impala Advisory Services Private Limited ₹ 0.10 crore (Previous year - Nil), Sinope Advisory Services Private Limited ₹ 0.10 crore (Previous year - Nil), Step Forward Advisory Services Private Limited ₹ 0.10 crore (Previous year - Nil), Kendo Advisory Services Private Limited ₹ 0.10 crore (Previous year - Nil), Lysithea Trading and Services LLP ₹ 0.10 crore (Previous year - Nil), Helike Trading and Services LLP ₹ 0.10 crore (Previous year - Nil), Amalthea Trading and Services LLP ₹ 0.10 crore (Previous year - Nil), Amalthea Trading and Services LLP ₹ 0.10 crore (Previous year - Nil), Amalthea Discretionary Trust ₹ 0.10 crore (Previous year - Nil), Wockhardt Hospitals Limited ₹ 0.10 crore (Previous year- Nil), Wockhardt Regenerative Private Limited ₹ 4 crore (Previous year - ₹ 0.03 crore), Holmdene Constructions ₹ 0.14 crore (Previous year - Nil), Palanpur Holdings and Investment Private Limited ₹ 2 crore (Previous year - Nil)], Dr. Habil Khorakiwala Education and Health Foundation ₹ 0.10 crore (Previous year - Nil), Pasithee Trustee Company Private Limited ₹ 0.10 crore (Previous year - Nil), Megaclite Trading Private Limited ₹ 0.10 crore (Previous year - Nil)	13	–
Payable to Key managerial personnel		
Remuneration payable [Chairman ₹ 0.35 crore (Previous year - Nil), Managing Director ₹ 0.27 crore (Previous year - Nil), Executive Director ₹ 0.27 crore (Previous year - Nil)]	1	–
Other parties exercising control		
Loan taken - Humuza Consultants	–	26
Other Receivables [Humuza Consultants ₹ 0.10 crore (Previous year - Nil), Habil Khorakiwala Trust ₹ 0.10 crore (Previous year - Nil)]	0	–

41. FINANCIAL INSTRUMENTS - FAIR VALUES

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore)

March 31, 2023	Carrying amount		Total Fair value
	Amortised Cost	Total	Significant observable inputs (Level 2)
Financial Assets			
Investments *	0	0	0
* Fair value through profit or loss ₹ 0.45 crore			
Other Non-Current Financial Assets	63	63	67
Trade receivables	551	551	–
Cash and cash equivalents	4	4	–
Bank balance (other than above)	33	33	–
Other Current Financial Assets	120	120	–
TOTAL	771	771	67
Financial Liabilities			
Borrowings	1,620	1,620	–
Trade payables	557	557	–
Lease Liabilities	393	393	408
Other Current Financial Liabilities	268	268	–
TOTAL	2,838	2,838	408

(₹ in crore)

March 31, 2022	Carrying amount		Total Fair value
	Amortised Cost	Total	Significant observable inputs (Level 2)
Financial Assets			
Investments*	0	0	0
* Fair value through profit or loss ₹ 0.45 crore			
Other Non-Current Financial Assets	61	61	75
Trade receivables	1,292	1,292	–
Cash and cash equivalents	172	172	–
Bank balance (other than above)	35	35	–
Other Current Financial Assets	82	82	–
TOTAL	**1,642**	**1,642**	**75**
Financial Liabilities			
Borrowings	1,590	1,590	–
Trade payables	582	582	–
Lease Liabilities	434	434	478
Other Current Financial Liabilities	280	280	–
TOTAL	**2,886**	**2,886**	**478**

B. Measurement of fair values:

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

– The fair values of the loans taken from banks and other parties is estimated by discounting cash flows using rates currently available for debt/instruments on similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value.

– The change in the unobservable inputs for unquoted investments of Narmada Clean Tech Limited (formerly known as Bharuch Eco-Aqua Infrastructure Limited) and Bharuch Enviro Infrastructure Limited instruments does not have a significant impact in its value.

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Security deposits against lease	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.
Guarantee commission	

42. FINANCIAL RISK MANAGEMENT

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

- Credit risk;
- Liquidity risk; and
- Market risk

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's Risk Management Framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives.

The Company has laid down the procedure for risk assessment and their mitigation through an internal Risk Committee. Key risks and their mitigation arising out of periodic reviews by the Committee are assessed and reported to the Audit Committee, on a periodic basis.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to policies and procedures.

The Company has a co-sourced model of independent Internal Audit and assurance function. There is a practice of reviewing various key select risks and report to Audit Committee from time to time. The co-sourced internal audit function carry out internal audit reviews in accordance with the approved internal audit plan and reviews the status of implementation of internal audit and assurance recommendations. Summary of Critical observations, if any, and recommendations under implementation are reported to the Audit Committee.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred and expected losses in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

As at March 31, 2023 and March 31, 2022, the Company did not have any significant concentration of credit risk with any external customers except Wockhardt Bio AG that accounts for 62% of total trade receivables during current year (Previous year: 76%)

Expected credit loss assessment for customers as at March 31, 2023 and March 31, 2022:

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Gross carrying amount	Less: Expected credit losses*	Net carrying amount	Weighted average loss rate *	Gross carrying amount	Less: Expected credit losses	Net carrying amount	Weighted average loss rate
Not due	190	–	190	0.12%	234	1	233	1%
Past due 1-180 days	187	1	186	0.43%	209	3	206	1%
Past due 181-360 days	70	2	68	3%	232	1	231	0.45%
More than 360 days	151	44	107	29%	693	71	622	10%
TOTAL	598	47	551		1,368	76	1,292	

* This average loss rate is after considering receivables from related parties. Since the Company has received confirmation from all related parties, and the Company does not foresee any risk in the collection of these receivables, no provision is made for the same.

The weighted average loss rate excluding Receivable from related parties for more than 360 days is 42%

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:

	March 31, 2023	March 31, 2022
Opening balance	76	84
Impairment loss reversed/ utilized, net	(29)	(8)
Closing balance	47	76

The Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Cash and bank balances

The Company held cash and bank balances of ₹ 37 crore (Previous year - ₹ 207 crore). These balances are held with bank and financial institution counterparties with good credit rating.

Others

The Company does not expect any credit loss on other receivables.

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 that it will have sufficient liquidity to meet its liabilities. The Company monitors the net liquidity position through forecasts on the basis of expected cash flows.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets to manage short of current assets to current liabilities. The Company invests its surplus funds in bank fixed deposit. Of the current liabilities, ₹ 788 crore pertains to loan received from Related parties. These parties have reaffirmed their commitment and confirmed that they will not recall the loans provided to the Company, unless the Company confirms that it has adequate surplus liquidity available and the related parties have confirmed to provide required financial support to the Company to repay the liabilities of the Company.

Subsequent to March 31, 2023, the terms of borrowings of ₹ 600 crores from related parties, which were current have been revised and now the repayment tenure for such borrowings have been extended to 31 March 2025, with an option to the Company to further renew the loan basis Company's assessment of cash flows and liquidity position on that date

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

March 31, 2023		Contractual cash flows			
	Carrying amount	Total	0-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings (other than loan from related party)*	832	875	863	12	0.39
Loan from related party	788	788	788	–	–
Lease Liabilities	393	652	82	292	278
Trade payables and other Current Financial Liabilities	825	825	825	–	–
TOTAL	**2,838**	**3,140**	**2,558**	**304**	**278**

The financial guarantee given by the Company for loan taken by its subsidiary stands discharged as the loan has ben repaid and the lender has already issued a 'No Dues Certificate'

March 31, 2022		Contractual cash flows			
	Carrying amount	Total	0-12 months	1- 5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings (other than loan from related party)*	1,016	1,085	922	162	1
Loan from related party	574	574	574	–	–
Lease Liabilities	434	730	79	349	302
Trade payables and other Current Financial Liabilities	862	862	862	–	–
TOTAL	**2,886**	**3,251**	**2,437**	**511**	**303**

Also issued financial guarantee of ₹ 2,274 crore (Outstanding Guarantee amount - Nil) for loan taken by its subsidiary which has been repaid during current financial year.

* It includes contractual interest payment over the tenure of the Borrowings. These floating-interest Borrowings are based on interest rate prevailing as at the reporting date.

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other prices such as equity price. These will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Financial instruments affected by market risk include loans, borrowings and deposits. The Market risk the Company is exposed can be classified as Currency risk and Interest rate risk.

(a) Currency risk:

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The Foreign currency exchange rate exposure is partly balanced through natural hedge. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2023 and March 31, 2022 are as below:

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Amount in Foreign Currency (in million)	₹ in crore	Amount in Foreign Currency (in million)	₹ in crore
Loan Availed	USD	**2**	**16**	11	86
Trade Receivables	AUD	**0.004**	**0.02**	0.004	0.02
	EUR	**1**	**7**	3	25

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Amount in Foreign Currency (in million)	₹ in crore	Amount in Foreign Currency (in million)	₹ in crore
	GBP	**6**	**63**	7	69
	USD	**29**	**237**	126	958
	RUB	**54**	**6**	201	18
Loans and Other Receivables	USD	**10**	**81**	9	69
	CHF	**0.02**	**0.2**	0.04	0.3
Trade payables and Other Liabilities	ACU	**0.001**	**0.01**	0.001	0.01
	EUR	**4**	**39**	4	36
	GBP	**3**	**33**	3	29
	USD	**28**	**233**	35	261
	RUB	**108**	**11**	141	13
	AUD	**0.01**	**0.05**	0 .01	0 .1
	SEK	**0.2**	**0.2**	0 .2	0 .2

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currency at March 31 would have affected the measurement of financial instruments denominated in that 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 of forecast sales and purchases.

Effect in INR March 31, 2023	Profit or loss before tax Gain/(Loss)		Equity, gross of tax Increase/ (Decrease)	
	Strengthening of ₹	Weakening of ₹	Strengthening of ₹	Weakening of ₹
5% movement				
USD	**(3)**	**3**	**(3)**	**3**
GBP	**(2)**	**2**	**(2)**	**2**
EUR	**2**	**(2)**	**2**	**(2)**
RUB#	**0**	**(0)**	**0**	**(0)**
# ₹ 0.28 crore, ₹ (0.28) crore, ₹ 0.28 crore, ₹ (0.28) crore respectively				
Others*	**0**	**(0)**	**0**	**(0)**
*₹ 0.002 crore, ₹ (0.002) crore, ₹ 0.002 crore, ₹ (0.002) crore respectively				
TOTAL	**(3)**	**3**	**(3)**	**3**

Effect in INR March 31, 2022	Profit or loss before tax Gain/(Loss)		Equity, gross of tax Increase/(Decrease)	
	Strengthening of ₹*	Weakening of ₹**	Strengthening of ₹*	Weakening of ₹**
5% movement				
USD	(39)	39	(37)	37
EUR	(2)	2	(2)	2
GBP	1	(1)	1	(1)
RUB#	0	0	0	0
#₹ (0.28) crore, ₹ 0.28 crore, ₹ (0.28) crore, ₹ 0.28 crore respectively				
Others*	0	0	0	0
*₹ (0.004) crore, ₹ 0.004 crore, ₹ (0.004) crore, ₹ 0.004 crore respectively				
TOTAL	(40)	40	(38)	38

"The Company had received advances for supply of goods from Wockhardt Bio AG, a majorly held foreign subsidiary of the Company, of which USD 88 million had been outstanding as at March 31, 2022. In accordance with the direction of Reserve Bank of India (RBI) / Authorised Dealer (AD) Bank, such advances were supposed to be adjusted only against supply of goods by the Company. Accordingly, this advance amount received was accounted at the historical transaction exchange rate in accordance with Ind AS 21- "The Effects of Changes in Foreign Exchange Rates"

The Company, as part of normal business, has also been providing services including but not limited to R&D services and assignment of rights over its new chemical entities (NCE) to the aforesaid foreign subsidiary and has outstanding receivables of USD 114 million.

Since the Company has not been able to supply the goods, the Company has received an approval from RBI/ AD on March 11, 2023, for adjustment of the aforesaid advance with these outstanding receivables. Pursuant to this, Company has recognised an exchange loss of ₹ 185 crore on the settlement of the advance and receivables of USD 88 million under "Exceptional items".

The Company has other overdue receivables from Wockhardt Bio AG amounting to ₹ 114 crore, including ₹ 75 crore for guarantee fees receivable. Also the Company has outstanding payable amounting to ₹203 crore beyond the period permitted under Master circular issued by Reserve bank of India. The Company expects to receive and pay these overdue balances by FY 2023-24.

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

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.

	Nominal amount	
	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Variable-rate instruments		
Financial liabilities	**561**	711
	561	711
Fixed-rate instruments		
Financial liabilities	**1,059**	879
	1,059	879

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Variable-rate instruments	Impact on Profit/(loss)- Increase/(Decrease) in Profit (before tax)	
Particulars	**For the year ended March 31, 2023 ₹ in crore**	For the year ended March 31, 2022 ₹ in crore
100 bp increase	**(6)**	(7)
100 bp decrease	**6**	7

43. CAPITAL MANAGEMENT

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual and long-term strategic plans. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of 'adjusted net debt' to 'adjusted equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings excluding lease liabilities under Ind AS 116, less cash and cash equivalents, Bank balance and current investments. Adjusted equity comprises Total equity.

The following table summarises the capital of the Company:

	As at March 31, 2023 ₹ in crore	As at March 31, 2022 ₹ in crore
Total borrowings	1,620	1,590
Less: Cash and cash equivalent and other bank balances	37	207
Adjusted net debt	1,583	1,383
Total equity	1,753	2,212
Adjusted equity	1,753	2,212
Adjusted net debt to adjusted equity ratio	0.90	0.63

Total equity includes gain on revaluation of land considered as a part of retained earnings in accordance with the requirements of Ind AS 101 on transition to Ind AS. Such Revaluation gain balance as on March 31, 2023 ₹ 61 crore (Previous year: ₹ 68 crore) and is not available for distribution to dividend.

44.

Contingent liabilities and commitments (to the extent not provided for)

(a) Demand by Income tax authorities ₹ 416 crore (Previous year - ₹ 413 crore) disputed by the Company.

(b) Demands by Central Excise authorities in respect of Classification/ Valuation/ Cenvat Credit related disputes; stay orders have been obtained by the Company in case of demands ₹ 45 crore (Previous year - ₹ 45 crore).[1]

(c) Demand by Sales Tax (including GST) authorities ₹ 96 crore (Previous year - ₹ 95 crore) disputed by the Company.[1]

(d) Demand by Service tax authorities in respect of non-payment of Service Tax on Import of certain services disputed by the Company ₹ 3crore (Previous year - ₹ 1 crore).[1]

(e) Demand by Municipal Corporation, Local body Tax on inputs used for manufacture of exported goods ₹ 3 crore (Previous year: 3 crore)

(f) Differential custom duty for misclassification/ penalty disputed by the Company ₹ 0.26 crore (Previous year - 1 crore)

(g) Differential MEIS for misclassification disputed by the Company ₹ 9 crore (Previous year- ₹ 9 crore)

(h) Other matters:

- electricity expense ₹ 8 crore (Previous year - ₹ 8 crore)
- remediation against the pollution of ground water ₹ 1 crore (Previous year - ₹ 1 crore)
- environmental compensation against non-compliance of water/air pollution measures ₹ Nil (Previous year - ₹ 2 crore)
- compensation for products ordered and not purchased, under dispute ₹ 19 crore (Previous year - Nil)

(i) Demand from National Pharmaceutical Pricing Authority (NPPA) in respect of overcharging of certain products disputed by the Company ₹ 103 crore (Previous year - ₹ 96 crore).

(j) Pursuant to a settlement agreement entered with the State of Texas on February 8, 2022 in regards to Civil Investigative Demand ('CID') with respect to submission of price information and updates to Texas Medicaid programme in US, Wockhardt USA LLC (WUSA) and Company had agreed to pay USD 36 million and interest over nine instalments between 2022 and 2025 for the aforesaid matter relating to WUSA and Morton Grove Pharmaceuticals. During the current year, WUSA has agreed revised payment terms with State of Texas for the settlement claim, whereby WUSA has agreed to prepay the outstanding amount in Financial year 2023-24 basis an agreed schedule.

Further ₹ 93 crore (USD 11.5 Million) has been paid by WUSA during the current year and ₹ 177 Crores (USD 21.5 million) is outstanding as on March 31, 2023

(k) The Company is involved in other disputes, lawsuits, claims, inquiries and proceedings including commercial matters that arise from time to time in the ordinary course of business. The Company believes that there are no such pending matters that are expected to have any material adverse effect on its financial statements in any given accounting period.

(l) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 18 crore (Previous year - ₹ 25 crore) after deducting advance on capital account of ₹ 9 crore (Previous year - ₹ 8 crore).

[1] Note: Amounts mentioned excludes interest after the date of the order, if any.

45.

The USD loan of the Company's subsidary Wockhardt Bio AG of USD 300 million against which Corporate guarantee was given, has been repaid and 'No dues certificate' from the lenders have been received.

The aforesaid loan was secured as under:

i) First ranking charge on fixed assets (excluding Intangible assets) and current assets of Wockhardt Bio AG and its subsidiaries (excluding assets of Wockpharma Ireland Limited and its Subsidiaries and Wockhardt France (Holdings) S.A.S. and its Subsidiaries)

ii) First ranking charge on fixed assets of Wockhardt Limited situated at Kadaiya in Daman and on Fixed Deposits of ₹ 45 crore (excluding interest) in India.

The Company is in the process of releasing the charge created on the assets of the Company.

46. RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF LIABILITIES ARISING FROM FINANCING ACTIVITIES:

(₹ in crore)

Particulars	As at March 31, 2023	As at April 01, 2022	Non cash changes		Other items considered separately	Cash flows-inflow/ (Outflow)
			Exchange fluctuation	Other non-cash adjustments		
Long-term borrowings (Net)	**305**	556	2	(1)	–	(252)
Short-term borrowings (Net)	**1,315**	1,034	1	–	1	279
Lease Liabilities	**393**	434	–	38	–	(79)

(₹ in crore)

Particulars	As at March 31, 2022	As at April 01, 2021	Non cash changes		Other items considered separately#	Cash flows-inflow/ (Outflow)
			Exchange fluctuation	Other non-cash adjustments		
Long-term borrowings (Net)	**556**	547	5	1	–	3
Short-term borrowings (Net)**	**1,034**	1,066	0	0	56	(88)
Lease Liabilities	**434**	465	–	44	–	(75)

** Non cash changes on account of Other non-cash adjustments ₹ 0.08 crore

** Non cash changes on account of exchange fluctuation ₹ - 0.21 crore

includes reclassification of interest accrued

47. The Company has not contributed to Corporate Social Responsibility (CSR) activities during the year.

As part of CSR, the Company had made voluntary contribution of ₹ 0.08 crore to Wockhardt Foundation during previous year. The aforesaid amount has been included in Note 28 under 'Miscellaneous expenses', being contribution and other expenses (Also Refer note 40).

(₹ in crore)

Details of CSR is as below:		For the year ended March 31, 2023	For the year ended March 31, 2022
a)	Amount required to be spent during the year	**Nil**	Nil
b)	Amount spent	**–**	0.08
c)	Shortfall at the year end	**Nil**	Nil
d)	Total of previous year shortfall	**Nil**	Nil
e)	Reason for shortfall	**N.A**	N.A
f)	Nature of CSR activities	**N.A**	Healthcare, Education, Infrastructure development and promoting social causes

48. a) Certain manufacturing facilities, having net book value of ₹ 417 crore (Previous year - ₹ 455 crore) and capital work-in-progress amounting to ₹ 48 crore (Previous year - Nil), of the Company are having low utilisation of assets and the Company is evaluating various alternate purposes of these assets.

b) (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) The Company's 'New Chemical Entity' (NCE) research programme continued to progress in their clinical trials during the financial year 2022-23. Development expenditure incurred during the year ₹ 11 crore has been capitalised and included under Intangible assets under Development as at March 31, 2023.

49.

Details of difference in the quarterly returns /statements filed by the Company with such banks not in agreement with the books:

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/statement subsequently rectified
			(INR in Crores)	(INR in Crores)	(INR in Crores)	
Jun-22	-State Bank of India -ICICI Bank Limited -Punjab National Bank -IDBI Bank Limited -Bank of Baroda	Trade Payables	200	190	10	No
Sep-22	-State Bank of India -ICICI Bank Limited -Punjab National Bank -IDBI Bank Limited -Bank of Baroda	Trade Payables	165	176	(11)	No
Dec-22	-State Bank of India -ICICI Bank Limited -Punjab National Bank -IDBI Bank Limited -Bank of Barod	Trade Payables	146	167	(21)	No

50. Ratios:

Following are the ratios computed for the year:

Sr. No	Ratios	Unit	Basis	March 2023	March 2022	Variance %
1	Current Ratio	Times	Current Assets / Current Liabilities	**0.49**	0.74	-32.94%
2	Debt Equity Ratio	Times	Total debt[1] / Shareholder's Equity	**0.92**	0.72	28.56%
3	Debt Service Coverage Ratio[2]	Times	Earnings available for debt service / Debt Service	**(0.15)**	0.55	-128.02%
4	Return on Equity[#]	Percentage	Net Profits after tax / Average Shareholder's Equity	**–**	–	–
5	Inventory turnover	Times	Cost of goods sold[3] / Average Inventories	**1.07**	1.30	-17.44%
6	Trade Receivables turnover ratio	Times	Net Credit Sales / Average Trade Receivables	**1.16**	1.22	-4.74%
7	Trade payables turnover ratio	Times	Net Credit Purchases+Other expenses / Average Trade Payables	**1.29**	1.86	-30.28%

Sr. No	Ratios	Unit	Basis	March 2023	March 2022	Variance %
8	Net capital turnover ratio#	Times	Net Sales / Working Capital(4)	**–**	–	–
9	Net profit ratio	Percentage	Net Profit / Net Sales	**(0.43)**	(0.10)	325.97%
10	Return on capital employed	Percentage	Earning before interest and taxes / Capital Employed(5)	**(0.11)**	0.03	-472.45%
11	Return on investment	Percentage	Net Loss after tax / Cost of investment(6)	**Dividend received on investments being negligible, there is no return on investments**	Dividend received on investments being negligible, there is no return on investments	

Note: The above ratios are calculated on basis of continuing operations figures.

(1) Total debt = Non- current Borrowings + Current Borrowings

(2) Earnings available for debt service = Net Loss after tax + depreciation and other amortizations and other Non-cash operating expenses+ Interest (Finance cost); Debt Service = Interest and Lease payments + Principal Repayments made during the period for long term loans

(3) Cost of goods sold = Cost of materials consumed + Purchase of Stock-in-Trade + Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

(4) Working capital = Current asset - Current liability

(5) Capital Employed = Tangible Net Worth* + Total Debt

(6) Cost of Investment = Total equity - Other comprehensive income

* Tangible net worth = Total equity - Intangible asset - Intangible asset under development

\# Not applicable as the Company has incurred a loss and working capital is negative

Reasons for more than 25% increase/(decrease):

a) Current ratio has decreased mainly due to decrease in trade receivables and increase in short term borrowings from related parties.

b) Debt Equity ratio has increased mainly due to increase in debt from related parties during the year

c) Debt Service Coverage Ratio has increased mainly due to increase in loss

d) Trade payables turnover ratio has decreased due to decrease in purchase of goods/services durign the year.

e) Return on equity, Net capital turnover ratio, Net profit ratio and Return on capital employed have changed mainly due to increase in loss on account of exceptional items

51. There are no other significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

52. Previous year figures have been regrouped wherever necessary to conform to current year classification i.e. Clinical trial expenses that was part of miscellaneous expenses during previous year has been shown separately during the year.

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Place : Mumbai
Date : May 26, 2023

Deepak Madnani
Chief Financial Officer

Debashis Dey
Company Secretary

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

Huzaifa Khorakiwala
Executive Director
DIN: 02191870

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Zahabiya Khorakiwala
Non Executive Director
DIN: 00102689

Aman Mehta
DIN: 00009364

Sanjaya Baru
DIN: 05344208

Vinesh Kumar Jairath
DIN: 00391684

Akhilesh Gupta
DIN: 00359325

Directors

ANNEXURES TO BOARD'S REPORT

ANNEXURE I TO THE BOARD'S REPORT
Disclosures pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 regarding Employees Stock Options

The disclosures prescribed under Clause A and B of Part F of Schedule I of the Regulations are made in Note No. 38 of the Notes to the Financial Statements.

C. Details related to Employees' Stock Option scheme:

I. Wockhardt - Employees' Stock Option Scheme-2011 ('Wockhardt ESOS-2011') – General terms and conditions:

Date of Shareholders' approval	September 12, 2011
Total number of options approved under ESOS	25,00,000 Options
Vesting requirements	Option granted would vest after the expiry of one year from the date of grant of options and not later than the expiry of 10 years from the date of grant of options.
Exercise price or pricing formula	The exercise price shall be at such discount, if any, to the market price on the date of grant as may be decided by the ESOS Compensation Committee at the time of each grant and the price shall not be less than the face value of shares.
Maximum term of options granted	10 years from the date of grant of options.
Source of shares	Primary
Variation in terms of options	Not Applicable

II. Method used to account for ESOS: Fair Value Method.

III. Where the Company has calculated employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed: N.A.

IV. Option movement during the year ended March 31, 2023:

Sl. No.	Particulars	Details
1	Number of options outstanding as on April 1, 2022	3,62,225
2	Number of options granted during the year	19,300
3	Number of options forfeited /lapsed during the year	59,900
4	Number of options vested during the year	16,750
5	Number of options exercised during the year	28,170
6	Number of shares arising as a result of exercise of options	28,170 Equity Shares
7	Money realized by exercise of options (₹), if scheme is implemented directly by the Company	₹ 1,40,850/-
8	Loan repaid by the Trust during the year from exercise price received	Not Applicable
9	Number of options outstanding as on March 31, 2023	2,93,455
10	Number of options exercisable as on March 31, 2023	1,93,855
11	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options during the year calculated in accordance with Indian Accounting Standard (Ind AS -33)	₹ (32.40)

V. Weighted Average Exercise Price and Weighted Average Fair Values of options are disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Year of Grant	No. of Options	Exercise Price per Option (in ₹)	Weighted Average Fair Values (in ₹)
FY 2012-13	3,50,000	5	894.56
FY 2012-13	8,500	5	1,949.76
FY 2014-15	2,00,000	5	588.29
FY 2016-17	2,23,500	5	967.27
FY 2019-20	76,000	5	297.33
FY 2021-22	62,500	5	459.21
FY 2021-22	13,250	5	545.92
FY 2021-22	15,000	5	389.52
FY 2022-23	19,300	5	263.90

VI. Employee wise details (Name of Employee, Designation, Number and Exercise price) of options granted to –

a) Details of options granted to Senior Managerial Personnel:

Sl. No.	Name of the Senior Managerial Personnel	Designation	Number of options granted during the year	Exercise price (in ₹)
1.	Ms. Debolina Partap	Senior Vice President, Legal	4,000	5
2.	Dr. Mahesh Patel	Chief Scientific Officer – Drug Discovery	6,500	5
3.	Dr. Sanjeev Kumar Sharma	President - Biologics & Global Quality, Biotechnology	7,500	5
4.	Mr. Deepak Madnani	Chief Financial Officer	5,000	5

b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year: Nil

c) Identified employees who were granted Option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: Nil

VII. Description of the method and significant assumptions used during the year to estimate the fair value of options is as follows:

a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model:

- The weighted-average values of the share price at the time of grant were in the range of ₹ 269 to ₹ 971.
- Exercise price was ₹ 5.
- Fair value is calculated by using the Black-Scholes option pricing formula.
- Stock Price: The closing price on National Stock Exchange of India Limited (NSE), as on the date prior to the date of grant has been considered for valuing the options granted.
- Volatility amount: This is the amount by which stock price is fluctuated or is expected to fluctuate. The method used in the model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of 12 months.
- Risk free interest rate: The yield on government securities at the time of grant of options is the basis of this rate and has been taken as 5%-9%.

- Expected Life: For the fair value determination, it has been assumed that on an average the exercise of options will take place at the end of six months from the date of vesting.
- Expected Dividend: As the stock prices for one year have been considered, the price movement on account of the dividend is already factored in and hence not separately built in.

b) **The method used and the assumptions made to incorporate the effects of expected early exercise:** The early exercise part is incorporated in the assumption of 'years to maturity' which is an assumption of average time for exercise of options.

c) **How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:** The market price volatility is based on share price variation for the year prior to the date of grant.

d) **Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:** No other feature has been considered for fair valuation of options.

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

SECRETARIAL AUDITOR'S COMPLIANCE CERTIFICATE
ON IMPLEMENTATION OF ESOS SCHEME

[Pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,

The Board of Directors,
Wockhardt Limited
D-4, M.I.D.C. Chikalthana,
Aurangabad – 431006 MH

1. I, Virendra G. Bhatt, Practicing Company Secretary, am the Secretarial Auditor for Wockhardt Limited ("the Company") having its Registered Office at D-4, M.I.D.C. Chikalthana, Aurangabad – 431006, MH. The management of the Company has requested to issue a Certificate as required under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and as amended from time to time (hereinafter referred to as "the Regulations") for the financial year ended 31st March, 2023.

Managements' Responsibility:

2. The following Employee Stock Option Scheme is governed by the Regulations:
   - "Wockhardt – Employees' Stock Option Scheme – 2011" or "Wockhardt ESOS – 2011" (Approved by Members at the Annual General Meeting held on 12th September, 2011) (hereinafter referred as "ESOS Scheme").
3. The implementation of the ESOS Scheme in accordance with the Regulations and in accordance with the resolution of the Members passed at the Annual General Meeting held on 12th September, 2011 (hereinafter referred as "Annual General Meeting") is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the implementation of the ESOS Scheme. The management is also responsible for ensuring compliance with the terms and conditions contained in the Regulations and for providing all relevant information to me in this regard.

Auditors Responsibility:

4. My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the ESOS Scheme. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. In connection with the above, the Company has furnished the below documents and I have examined the same:
   a) the ESOS Scheme;
   b) the Board Resolutions passed by the Company;
   c) the Members Resolution passed at the Annual General Meeting;
   d) the Listing approvals from the Stock Exchanges;
   e) other relevant explanations and documents.
6. My examination has been limited to the review of the procedures and implementation thereof, adopted by the Company for the year ended 31st March, 2023 in respect of the compliance with the aforesaid Regulations and in the light of resolutions passed by the Company at the Annual General Meeting.

Opinion:

7. Based on my verification, information and explanations given to me and representation provided by the Company, I am of the opinion that the ESOS Scheme has been implemented for the year ended 31st March, 2023 in accordance with the Regulations and the resolutions passed by the Members of the Company at the Annual General Meeting.

Restriction on use:

8. This Certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of placing the same before the Members of the Company at the 24th Annual General Meeting of the Company and should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without my prior consent in writing.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 1439/2021

Place : Mumbai
Date : 05th May, 2023
UDIN : A001157E00257952

ANNEXURE II TO THE BOARD'S REPORT

Form No.: MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,

The Members,
Wockhardt Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Wockhardt Limited** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Wockhardt Limited's statutory registers, minute books, forms and returns filed and other relevant records maintained by the Company and also the information provided by the Company, its Officers and authorized representatives during the conduct of Secretarial Audit. I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 ("Audit Period"), prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the statutory registers, minute books, forms and returns filed and other relevant records maintained by the Company for the Audit Period according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- applicable only to the extent of Foreign Direct Investments and Overseas Direct Investment;

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, read with the Company's Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons ("Code of Conduct");

(c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the Audit Period:

(a) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

(vi) I further report that, based on the Compliance Report of various Laws submitted by Department Heads of the Company, I am of the opinion that the Company has prima facie proper system to comply with the following laws:

(a) The Drug and Cosmetic Act, 1940 and Rules made thereunder

(b) The Drug and Magic Remedies Act, 1954

(c) Narcotic Drugs and Psychotropic Substances Act, 1985

(d) Factories Act, 1948 and rules framed there under

(e) The Hazardous Waste (Management & Handling) Rules 1989 under the Environment Protection Act, 1986

(f) The Pharmacy Act, 1948

(g) Bio-Medical Waste (Management and Handling) Rules, 1998

(h) Food Safety and Standards Act, 2006 and Rules made thereunder.

(i) Applicable Labour Laws

(vii) I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has prima facie complied with the applicable provisions:

(a) The Listing agreements entered into by the Company with the Stock Exchanges read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India

During the period under review, I am of the opinion that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

1. I have not examined the Financial Statements financial Books & related financial Acts like Income Tax, Sales Tax, Value Added Tax, Goods and Service Tax Act, ESIC, Provident Fund & Professional Tax, Related Party Transactions, including Reconciliation of Bank Statements etc. For these matters, I rely on the report of Statutory Auditors for the Financial Statement for the year ended March 31, 2023.

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

3. As per the information provided, prima facie adequate notice is given to all the Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the Meeting.

4. I was informed and have observed from the minutes of the Board and Committee Meetings that all the decisions at the Meetings were prima facie carried out unanimously.

5. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

6. The Management is responsible for compliance with all business laws. This responsibility includes maintenance of statutory registers/ records required by the concerned authorities and internal control of the concerned department.

7. During the Audit Period, SEBI had issued a show cause notice under (i) Regulations 12(1)(3) of the SEBI (PIT) Regulations, 1992; read with regulation 12(2) of the SEBI (PIT) Regulations, 2015. (ii) Regulations 12(2) read with clause 2.0 of Schedule II of the SEBI (PIT) Regulations, 1992 read with regulation 12(2) of the SEBI (PIT) Regulations, 2015. (iii) Clause 36 of listing agreement read with Section 21 of Securities Contracts (Regulation) Act, 1956, in respect of certain events which happened during the year 2013.

   In this connection, the Company and the concerned Directors had applied for Settlement pursuant to the SEBI (Settlement Proceedings) Regulations, 2018 without accepting or denying the allegations. The Company and its Directors have paid the settlement amount determined by the SEBI and the final order of the HPAC of the SEBI. The Final Settlement Order was passed by SEBI on 22nd May 2023.

8. During the audit period under review:
   a) There were instances of:
      i. Allotment of shares under Employee Stock Option Scheme.
   b) There were no instances of:
      i. Public / Rights / debentures / sweat equity etc.
      ii. Redemption / Buy-back of securities;
      iii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
      iv. Merger / amalgamation / reconstruction etc.;
      v. Foreign Technical Collaborations.

I further report that:

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate Laws and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 1439/2021

Place : Mumbai
Date : 26th May, 2023
UDIN : A001157E000383979

ANNEXURE III TO THE BOARD'S REPORT
ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on Corporate Social Responsibility Policy of the Company:**

   Pursuant to the requirements of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has well framed CSR Policy.

   The Company's CSR Policy aims at excellence through service to local communities wherein the Company operates with the involvement of employees. The focus areas for CSR are Healthcare, Education, Infrastructure Development and Promoting social causes.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Davinder Singh Brar	Independent Director – Chairperson of the Committee	2	2
2.	Dr. Habil Khorakiwala	Executive Chairman – Member	2	2
3.	Mr. Aman Mehta	Independent Director –Member	2	2
4.	Dr. Huzaifa Khorakiwala	Executive Director – Member	2	2

3. **Web-link(s) where composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:**

   Composition of Committee: https://www.wockhardt.com/wp-content/uploads/2022/09/committees-board-231121.pdf

   CSR Policy: https://www.wockhardt.com/wp-content/uploads/2020/05/csr-policy.pdf

   CSR Projects: N.A.

4. **Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** N.A.

5. (a) **Average net profit of the Company as per section 135(5) was negative.**

   (b) **Two percent of average net profit of the Company as per section 135(5) was negative.**

   (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   (d) **Amount required to be set-off for the financial year, if any:** Nil

   (e) **Total CSR obligation for the financial year (5b+5c-5d):** Nil

6. (a) **Amount spent on CSR Projects (both ongoing project and other than ongoing project):** Nil

   (b) **Amount spent in Administrative Overheads:** Nil

   (c) **Amount spent on Impact Assessment, if applicable:** Nil

   (d) **Total amount spent for the Financial Year (6a+6b+6c):** Nil

   (e) **CSR amount spent or unspent for the Financial year:** Nil

Total Amount Spent for the Financial Year (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
1.					
2.					
3.					

(f) Excess amount for set-off, if any: N.A.

Sl. No.	Particular	Amount (in ₹)
1.	Two percent of average net profit of the Company as per section 135(5)	
2.	Total amount spent for the Financial Year	
3.	Excess amount spent for the Financial year [(2)-(1)]	
4.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial years, if any	
5.	Amount available for set off in succeeding Financial years [(3)-(4)]	

7. Details of Unspent CSR amount for the preceding three financial years: Nil

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

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year (Yes/No): No

If Yes, enter the number of Capital assets created/ acquired: N.A.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: N.A.

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the Property or Assets	Date of creation	Amount of CSR amount spent	Details of Entity/ Authority/ Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1.							
2.							
3.							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

D. S. Brar
Chairman of CSR Committee
DIN: 00068502

Habil Khorakiwala
Chairman of the Board
DIN: 00045608

ANNEXURE IV TO THE BOARD'S REPORT

Form No. AOC–2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:** NIL

2. **Details of material contracts or arrangements or transactions at arm's length basis:**

(a)	Name(s) of the related party and nature of relationship	Wockhardt Bio AG, Subsidiary of the Company
(b)	Nature of contracts/arrangements/transactions	Transfer or receipt of products, goods, materials, services etc.
(c)	Duration of the contracts/arrangements/transactions	Ongoing (until terminated through mutual consent)
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	During the year 2022-23, transactions relating to management and technical fees, novation of out-licensing fees, sale of goods, advances adjusted against export of goods and services, reimbursement and recovery of expenses, R&D services etc. were done with Wockhardt Bio AG aggregating to ₹ 733 crore.
(e)	Date(s) of approval by the Board, if any:	Please refer Note 1 below
(f)	Amount paid as advances, if any	N.A.

Notes:

As per Regulation 23 of the SEBI Listing Regulations, transactions with Wockhardt Bio AG were considered material and approval of Shareholders has been obtained at the Annual General Meeting held on September 15, 2014 for an estimated amount upto USD 500 million every financial year.

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

ANNEXURE V TO THE BOARD'S REPORT

[Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014]

(i) The Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial year 2022-23:

Name of Director	Designation	Ratio of the remuneration of Director to the median remuneration of the Employees for the year 2022-23
Dr. Habil Khorakiwala	Chairman	52.06:1
Mr. Aman Mehta	Independent Director	2.87:1
Mr. Davinder Singh Brar	Independent Director	3.05:1
Dr. Sanjaya Baru	Independent Director	2.87:1
Mrs. Tasneem Mehta	Independent Director	2.87:1
Mr. Vinesh Kumar Jairath	Independent Director	2.87:1
Mr. Akhilesh Gupta	Independent Director	2.87:1
Dr. Huzaifa Khorakiwala	Executive Director	43.08:1
Dr. Murtaza Khorakiwala	Managing Director	43.08:1
Ms. Zahabiya Khorakiwala	Non-Executive Director	0.72:1
Mrs. Rima Marphatia*	Nominee Director	0.54:1

Note: i) Remuneration of Independent Directors and Non-Executive Director consists of only the sitting fees paid to them for attending Board/certain Committee Meetings.

ii) *Mrs. Rima Marphatia ceased to be Nominee Director w.e.f. August 3, 2022 due to withdrawal of nomination by Exim Bank.

(ii) The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial year 2022-23:

The Independent Directors and Non-Executive Director are being paid sitting fee of ₹ 1,00,000 per meeting for attending Board/certain Committee meetings. There was no change in criteria for making payment of sitting fees to Independent Directors/ Non-Executive Director as compared to previous year.

The Increase in remuneration of the Executive Directors and KMP's during the year was as follows:

Sl. no.	Name of Director/KMP	Designation	Percentage increase
1.	Dr. Habil Khorakiwala	Executive Chairman	3.58%
2.	Dr. Huzaifa Khorakiwala	Executive Director	No change
3.	Dr. Murtaza Khorakiwala	Managing Director	No change
4.	Debashis Dey*	Company Secretary	Not comparable
5.	Pramod Gupta**	Chief Financial Officer	Not comparable
6.	Deepak Madnani**	Chief Financial Officer	Not comparable

Note:

* Mr. Debashis Dey was appointed as the Company Secretary (CS) of the Company w.e.f July 23, 2021, hence there is no comparable data pertaining to full financial year 2021-22 to determine change in annual remuneration of Mr. Debashis Dey.

** Mr. Pramod Gupta, erstwhile Chief Financial Officer (CFO) of the Company, was appointed on April 4, 2022 but resigned from his position w.e.f June 6, 2022 due to health issues. Mr. Deepak Madnani was appointed as the CFO of the Company w.e.f June 7, 2022. Hence, there is no comparable data to determine change in annual remuneration of Mr. Pramod Gupta and Mr. Deepak Madnani.

(iii) The percentage increase in the median remuneration of employees in the in the Financial Year 2022-23 was 2.04%

(iv) The number of permanent employees on the rolls of Company was 2637 as on March 31, 2023.

(v) Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Performance Appraisal of employees other than Managerial Personnel are yet to be initiated.

(vi) The key parameters for any variable component of remuneration availed by the Directors:

The remuneration paid to the Executive Directors are, inter alia, based on the Company's market competitiveness in the comparator group as well as overall business performance of the Company. The Executive Directors' remuneration is also linked to the organization performance and team performance apart from an individual performance.

(vii) It is hereby affirmed that the remuneration paid to the Executive Directors during the year 2022-23 was as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

ANNEXURE VI TO THE BOARD'S REPORT

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Rule 8 of the Companies (Accounts) Rules, 2014

Your Company operates in a safe and environmentally responsible manner for the long-term benefit of all Stakeholders. Your Company is committed to take appropriate measures to conserve energy and drive energy efficiency in its operations.

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Rule 8 of the Companies (Accounts) Rules, 2014 are provided below:

(A) CONSERVATION OF ENERGY:

1. **The steps taken or impact on Conservation of Energy, 2) The steps taken by the Company for utilising alternate sources of energy and 3) The Capital investment in Energy Conservation Equipments:**

ANKLESHWAR

- The existing Street light, Warehouse, QC & plant lighting with CFL/ HPSV /MLL replaced by LED in the factory premises, which will help in saving electrical energy.
- Power factor maintained to unity or unit result in less consumption.
- Temperature controller installed on cooling tower for effective operation during winter season to save electricity.

DAMAN

- Installation of VFD in Finished Goods Stores to run AHU on 48.5 Hz in place of 50 Hz., resulting in approximate saving of ₹ 1.29 Lakhs per annum & approximate Electrical Unit saving is 21600 KWH per annum.
- Utilized rain water as an additional water source during monsoon season (installed rain water collection system), which translated into saving of approximate ₹ 8.42 Lakhs /pa. and approximate water saving of 5616 KL.
- Running of minimum AHUs and enabling the Sleep Mode of HVAC and utility operation during non-productive Hour/ Off days, saves approximate ₹ 40 Lakhs.

SHENDRA

- Stability Chamber is qualified for temp. (25 Deg.C) & RH (60%) condition & auto switched off Stability Chamber resulting in power saving of approx. 800 Units / Day.
- Optimum utilisation of Chillers, Circulation Pumps and Cooling Tower Fan (Saving of approximately 2000 Units/ Day by closely monitoring Chillers, its pumps and automation of cooling tower fan).
- VFD frequency has been reduced for unclassified AHU's of common corridors without any quality impact for power saving.
- Power factor maintained up to unit (0.999 to 0.998).
- Temperature controller installed on cooling tower for effective operation during winter season to save electricity.
- Chiller's set point increased from 6.0°C to 7.5°C during winter season which reduces Power consumption.
- Installation of VFD's for Plant Cooling Water Pump, Raw Water, Soft Water and Filtered Water Pumps (Saving of approximately 350 Units/ Day).
- Reduced loading and unloading pressure of compressed air system.
- ETP - common line has been fabricated for Equalization Tanks Blowers (15HP x 2 Nos. Blowers) & Aeration Tank Blowers (40HP x 2 Nos.) which saves 300 units/day.
- 35770 KL treated effluent reused for landscaping, gardening within the premises at Shendra Site resulting in a potential cost savings of 35770 KL x ₹79.1 = ₹ 28.3 Lakhs.

R & D CENTRE

- 16790 KL Treated effluent reused for landscaping, gardening within the premises at R & D Site resulting in cost saving of 16790 KL x ₹ 14.32 = ₹ 2.4 Lakhs
- MSEDCL Bill power factor maintained the unity and got the power factor rebate in monthly electricity bill.
- Cooling tower fans temperature controller installed and on/off of fan as per cooling tower water temp.
- Steam line Condensate recovery pipeline, tank and feed pump installed and provided condensate water to boiler feed water tank.
- Porta Labs scientist sitting and equipments shifted in PDS Building and Split ac and all electrical loads of porta labs switched OFF.
- Old 40W Fluorescent tube lights fittings replaced by 20W LED Tube rods.
- Switched R&D HVAC load to PDL chiller, 80 TR chillers at R&D switched off.
- PDL air compressor taken in line as its motor switches off at unload condition.
- Energy Savings achieved by switching off non critical AHUs in PDL building, from evening 7.00 p.m. to morning 7.00 a.m.

- Emerson make Coollite energy saver installed to save energy in fluorescent tube lights.
- Split air conditioner refrigerant gas type replaced by chilled water fan coil units.
- Cooling tower - Cooling fan operation control in auto mode by temperature controller to maintain required temperature to chiller refrigerant cooling - 28 to 34 de g cel.
- Water chiller of PDL and R & D building - main header interconnection and transfer of animal house Air conditioning load on PDL chiller to utilise optimum capacity and keeping animal chiller off to save Energy.
- Optimised place and electricity consumption by efficiently managing sitting arrangement of Lab staff.
- NMR Department and 2 TR x 2- / NDD -Biology and Reformation Chamber room Split AC 2TR x2 - Runs 24 x7 to maintain room temperature below 25 deg cel. Shifted this load on centralise HVAC system with increase little load. HVAC is more efficient and effective than split AC. Hence 8 TR load of split AC kept off.
- PDL Lab - AHU runs for 24 Hrs. After decided to run AHU in working hrs. only as its R & D. And keep AHU off in non-working hours. Ensured no impact on environmental condition of process area room.
- Cool lite Energy Saver Installed to Keep Voltage stabilise as required for Lighting as per requirement. 210 to 230 V. Saving in 5 to 7% in Energy.
- Installation of LED tube rod of 20 watt, in place of 40 watt florescent tube in NDD Department.

BIOTECH PARK

- Installed Oil free process air comp (Atlas make 2619 CFM) to improve air quality with energy efficient air compressor. Plant air pressure increased from 2.4 to 3.0 kg/cm2.
- IKW/CFM = 0.134 to 0.120 Saving/annum. Saving of ₹ 28 Lakhs annum.
- Enhanced the shelf life of Briquette Boiler (MR 15727) by replacing all smoke tubes which results in increased heat transferred area & efficiency increased by 2% to 3%.
- Enhanced the shelf life of LSHS Boiler (MR 13359 & MR 13360) by replacing all smoke tubes which results in increased heat transferred area & efficiency increased by 2% to 3%.
- Chillers set point increased from 6.0°C to 7.0°C during winter season which results in reduction of Power consumption.
- Blow down water of cooling tower, sand filter back wash water and primary water treatment reject water reused to garden in API plant.
- Efficiency of cooling tower improved by replacing the cooling tower PVC fills.
- Steam condensate recovery is increased from 20% to 40%.
- 12500 KL Treated effluent for reused for landscaping, gardening within premises at BTP Site. Cost saving 12500 KL x ₹ 27 = ₹ 3.37 Lakhs.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1) The efforts made towards technology absorption at different manufacturing units

FORMULATION-2

- Increase in through put for manufacturing of Dispopen-2 Product by 28% since previous year. Total Manufacturing for current year was 1.8 Mio against last year total manufacturing of 1.4 Mio.
- Increase in yield for Cartridge line from 93.11% to 94.08% and in Vials from 96.63% to 97.02% since last financial year.
- Increased batch size of Glaritus Vial product from 500L to 1000L and commercialised in Mexico Market.
- Project Parivartan Manufacturing of Wosulin range products with E coli source, PV batches executed successfully.
- Alternate Vendor Schott Kaisha vials developed and batches are executed on vial line.
- Tech Transfer of EPO – Intas DS in Wepox PFS product completed and PV batches executed.
- Zig provision developed in Dispopen-2 product assembly machine for improvement of device fitment quality.

SHENDRA

- In house skill development and utilisation in AC system which results in reduction in R-22 gas utilisation by 70% and in breakdown by 80%.
- Inspection of clear liquid product on Auto inspection Brevetti m/c implemented.
- Installation of Checkweigher on packing line for 100% weighing of filled carton to have better assurance.
- -20 Celsius cold storage technology introduction & manufactured batches stored.

EOU OSD

- Installed High pressure Krenzal machine.
- Implemented Pneumatic Vibrator for speedy unloading of material and to avoid denting and pitting of IPC.
- Modification of Dust Collectors Suction pipes for easy cleaning.

2) The benefits derived like product improvement, cost reduction, product development or import substitution at various manufacturing units:

DAMAN

- Achieved significant improvements in yield at **Bhimpore** for products Co-codamol 30/500mg Tablets, Co-tenidone 100/25mg Tablets, Sulpiride 200mg Tablets, ESPR Tablets, an improvement of 1.48%, 0.91%, 1.12% & 0.33% respectively.
- Achieved significant improvements in yield at **Kadaiya** for products Colchicine 500mcg Tablets an improvement of 1.44%.
- Regulatory Approvals: Codeine Phosphate 15 mg & 30 mg Tablets, Co-codamol 30/500mg Tablets (Caplets) from MHRA.
- Re-sale of Raw Materials due to discontinued products in co-ordination with SCM Team **(Cost saving: ₹ 23.96 Lakhs)**.
- Transfer of Non Moving RM to other Locations in co-ordination with SCM & R&D. **(Cost saving: ₹ 136.69 Lakhs)**.

New/ Site transfer Products manufacturing:

Domestic/ Global Market: Methycobal 500mcg Tablets for domestic market with ESSAI.

UK Market: Site transfer:

New Products: Ranolazine 375mg Tablets: 3 Submission Batches.

OSD

- Spasgan palletization change control revised with batch verification done as per approval for Russia Market compliance.
- Installation of low capacity air compressor for purified Water System – to reduce power consumption with savings of approx. ₹ 12 Lakhs p.a.

SHENDRA

Product Improvement:

- Wosulin 30/70 100IU products, Yield Improvement by 1.0% (94.5% to 95.5%).
- Glaritus cartridge products, Yield Improvement by 1.0% (94.5% to 95.5%).
- Parivartan Project: Wosulin 30/70, Wosulin R, Wosulin N Cartridge & Vial E coli API based batches manufactured.
- Adenosine Injection 2ml batches manufactured for UK-MHRA.
- Aspart R and Aspart 30/70 PKPD new batches manufactured at Shendra.
- Glaritus Inj. 50 X 3ml cartridge bulk pack export from Shendra to UAE market.
- New alternate vendor of 10 ml vial size, Make: Schott Poonawalla introduced.

3) Imported Technology (imported during the last 3 years reckoned from the beginning of the financial year):

The Company has not imported any technology.

4) The expenditure incurred on Research and Development:

₹ in crore

Particulars	Consolidated	Standalone
Capital	127	11
Revenue	139	86
Total	**266**	**97**

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the Financial Year 2022-2023, the Foreign Exchange Earnings was ₹ 73 Crore and Foreign Exchange Outgo was ₹ 92 Crore.

For and on behalf of the Board of Directors
Habil Khorakiwala
Chairman
DIN: 00045608

ANNEXURE VII TO THE BOARD'S REPORT

FORM AOC - 1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 Statement containing salient features of financial statement of subsidiaries/associate companies/joint ventures]

Part A "Subsidiaries"

(Information in respect of each subsidiary to be represented with amount in ₹ Crore)

Sr. No.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate as on the last date of relevant financial year	Average exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend @@	% of shareholding
1.	Wockhardt Infrastructure Development Limited	14/4/2006	INR	1.00	1.00	2.00	245.42	310.70	63.28	–	30.22	14.32	4.65	9.67		100.00
2.	Wockhardt Medicines Limited	25/3/2019	INR	1.00	1.00	0.05	(0.21)	0.03	0.20	–	–	(0.11)	–	(0.11)		100.00
3.	Wockhardt Biologics Limited	2/7/2021	INR	1.00	1.00	0.05	(0.06)	0.03	0.04	–	–	(0.04)	–	(0.04)		100.00
4.	Z&Z Services GmbH @	21/4/2004	EUR	89.39	84.10	0.22	(1.94)	(1.03)	0.69	–	–	(0.04)	–	(0.04)		85.85
5.	Wockhardt Europe Limited	11/8/1999	GBP	101.70	97.05	13.30	(3.25)	9.61	0.02	0.46	–	–	–	–		100.00
6.	Wockhardt Nigeria Limited	10/1/2006	USD	82.21	80.57	0.66	(0.82)	0.11	0.27	–	–	–	–	–		100.00
7.	Wockhardt UK Holdings Limited	1/12/2003	GBP	101.70	97.05	2.80	102.07	74.39	0.03	30.51	–	–	–	–		100.00
8.	CP Pharmaceuticals Limited @	1/12/2003	GBP	101.70	97.05	24.74	383.40	739.80	331.66	–	456.16	6.81	0.18	6.63		85.85
9.	CP Pharma (Schweiz) AG @	1/12/2003	CHF	89.61	84.55	2.24	(0.95)	1.32	0.03	–	0.01	(0.03)	–	(0.03)		85.85
10.	Wallis Group Limited	18/2/1998	GBP	101.70	97.05	14.33	14.87	–	0.01	29.21	–	–	–	–		100.00
11.	The Wallis Laboratory Limited	18/2/1998	GBP	101.70	97.05	0.04	(2.38)	–	2.34	–	–	–	–	–		100.00
12	Wockhardt Farmaceutica do Brazil Ltda	28/1/2004	USD	82.21	80.57	3.02	(4.53)	0.14	1.65	–	–	(0.19)	–	(0.19)		100.00
13.	Wallis Licensing Limited	18/2/1998	GBP	101.70	97.05	–	(11.49)	29.43	40.92	–	–	–	–	–		100.00
14.	Wockhardt USA LLC @	26/2/2004	USD	82.21	80.57	16.44	(281.22)	821.15	1,085.93	–	320.25	(138.40)	–	(138.40)		85.85
15.	Wockhardt Bio AG	17/10/2005	USD	82.21	80.57	462.11	1,777.06	2,751.84	1,771.44	1,258.77	901.58	(189.19)	22.96	(212.15)	–	85.85
16.	Wockhardt UK Limited @	2/6/2006	GBP	101.70	97.05	0.51	180.41	285.16	104.24	–	608.17	11.99	2.18	9.81		85.85
17.	Wockpharma Ireland Limited @	1/9/2006	EUR	89.39	84.10	536.32	285.14	1.72	167.62	987.36	–	–	0.03	(0.03)		85.85
18.	Pinewood Laboratories Limited @	1/10/2006	EUR	89.39	84.10	3.34	355.26	533.08	174.48	–	495.80	27.71	3.84	23.87	–	85.85
19.	Wockhardt Holding Corp @	17/10/2007	USD	82.21	80.57	213.77	(34.02)	61.74	222.91	340.91	–	(3.74)	–	(3.74)		85.85
20.	Morton Grove Pharmaceuticals Inc @	23/10/2007	USD	82.21	80.57	564.30	(297.57)	677.11	443.29	32.91	190.80	(129.50)	0.09	(129.60)		85.85
21.	MGP Inc @	23/10/2007	USD	82.21	80.57	–	40.59	106.24	65.65	–	31.08	2.87	–	2.87		85.85
22.	Wockhardt France (Holdings) S.A.S @	9/5/2007	EUR	89.39	84.10	537.21	(1,288.84)	2.54	754.17	–	–	(3.89)	–	(3.89)		85.85
23.	Laboratoires Pharma 2000 S.A.S @	17/5/2007	EUR	89.39	84.10	–	–	–	–	–	–	–	–	–		85.85
24.	Laboratoires Negma S.A.S @	17/5/2007	EUR	89.39	84.10	258.04	(266.40)	1.88	10.23	–	–	(3.11)	–	(3.11)	–	85.85
25.	Niverpharma S.A.S @	17/5/2007	EUR	89.39	84.10	–	–	–	–	–		–	–	–		85.85
26.	Negma Beneulex S.A @	17/5/2007	EUR	89.39	84.10	–	–	–	–	–		–	–	–		85.85
27.	Phytex S.A.S @	17/5/2007	EUR	89.39	84.10	–	–	–	–	–	–	–	–	–	–	85.85
28.	Wockhardt Farmaceutica SA DE CV	21/6/2012	USD	82.21	80.57	23.73	(163.82)	7.34	147.43	–	–	–	–	–		85.85

Sr. No.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate as on the last date of relevant financial year	Average exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend @@	% of shareholding
29.	Wockhardt Services SA DE CV @	17/12/2012	USD	82.21	80.57	0.03	(2.31)	8.64	10.92	–	–	–	–	–		85.85
30.	Pinewood Healthcare Limited @	1/10/2006	GBP	101.70	97.05	1.02	(1.24)	0.02	0.24	–	–	(0.08)	–	(0.08)		85.85
31.	Wockhardt Bio (R) LLC @	25/8/2015	RUB	1.05	1.24	0.54	37.40	45.42	7.48	–	69.17	16.85	3.48	13.37		85.85
32.	Wockhardt Bio Pty Ltd @	19/8/2015	AUD	55.01	55.04	0.06	2.02	18.23	16.15	–	5.88	0.18	0.06	0.12		85.85
33	Wockhardt Bio Ltd # @	11/11/2015	USD	82.21	80.57	–	–	–	–	–	–	–	–	–	–	0.00

Notes:

1. The Reporting period of the subsidiaries is April to March.
2. Wockhardt Limited, the Company, holds directly or indirectly 100% shareholding in all the subsidiaries except as mentioned in Note 3 below.
3. @ The Company holds 85.85% shareholding in Wockhardt Bio AG which in turn holds 100% shareholding in these subsidiaries.
4. Wockhardt Biologics Ltd and Wockhardt Medicines Limited, incorporated in India, and Wockhardt Bio Limited, incorporated in New Zealand, are yet to commence operations.
5. The investments made by all the subsidiary companies are only in their step-down subsidiaries, no other investments are made by these companies.
6. The Company does not have any Associate Company as defined under Section 2(6) of the Companies Act, 2013 or joint venture and hence, Part B is not applicable.
7. During the period under review, the stepdown subsidiaries in Belgium and France i.e Negma Beneulex S.A (Belgium), Laboratoires Pharma 2000 S.A.S (France), Niverpharma S.A.S (France) and Phytex S.A.S (France), were wound up/liquidated. Further winding-up process of Wockhardt France (Holdings) S.A.S (France) and Laboratoires Negma S.A.S (France), are also in process.
8. The details contained in above AOC-1 also indicates performance and financial position of each of the subsidiaries of the Company.

For and on behalf of the Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

Aman Mehta
DIN: 00009364

Huzaifa Khorakiwala
Executive Director
DIN: 02191870

Sanjaya Baru
DIN: 05344208

Deepak Madnani
Chief Financial Officer

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Vinesh Kumar Jairath
DIN: 00391684

Debashis Dey
Company Secretary

Zahabiya Khorakiwala
Non Executive Director
DIN: 00102689

Akhilesh Gupta
DIN: 00359325

Directors

Place : Mumbai
Date : May 26, 2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L24230MH1999PLC120720
2.	**Name of the Listed Entity**	Wockhardt Limited
3.	**Year of incorporation**	1999
4.	**Registered office address**	D-4, M.I.D.C. Chikalthana, Aurangabad 431 006
5.	**Corporate address**	Wockhardt Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
6.	**E-mail**	investorrelations@wockhardt.com
7.	**Telephone**	+91 22 2653 4444
8.	**Website**	www.wockhardt.com
9.	**Financial year for which reporting is being done**	1st April, 2022 to 31st March, 2023
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited and BSE Limited
11.	**Paid-up Capital**	₹ 72,04,41,615/-
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Mr. Debashis Dey Designation: Company Secretary Telephone: +91 22 2653 4444 Email: investorrelations@wockhardt.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Standalone basis (For India Operations only)

II. Products/services

14. Details of business activities (*accounting for 90% of the turnover*):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	70%
2.	Trade	Wholesale Trading	30%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of pharmaceuticals, medicinal and chemical products	210	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	8	2	10
International	4	17	21

17. Markets served by the entity:

a. **Number of locations:**

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	29

b. **What is the contribution of exports as a percentage of the total turnover of the entity?** 46%

c. **A brief on types of customers:** Healthcare providers are our direct customers and patients are the end consumers.

IV. Employees

18. Details as at the end of Financial Year:

a. **Employees and workers (including differently abled):**

	EMPLOYEES					
S. No.	**Particulars**	**Total**	**Male**		**Female**	
			No.	**%**	**No.**	**%**
1.	Permanent	2,637	2,450	93%	187	7%
2.	Other than Permanent (Contractual)	341	340	100%	1	0%
3.	**Total**	**2,978**	**2,790**	**94%**	**188**	**6%**
	WORKERS					
S. No.	**Particulars**	**Total**	**Male**		**Female**	
			No.	**%**	**No.**	**%**
1.	Permanent	103	99	96%	4	4%
2.	Other than Permanent	62	62	100%	0	0%
3.	**Total**	**165**	**161**	**98%**	**4**	**2%**

b. **Differently abled Employees and workers:**

	DIFFERENTLY ABLED EMPLOYEES:					
S. No.	**Particulars**	**Total**	**Male**		**Female**	
			No.	**%**	**No.**	**%**
1.	Permanent	0	0%	0	0	0%
2.	Other than Permanent (Contractual)	0	0%	0	0	0%
3.	**Total**	**0**	**0%**	**0**	**0**	**0%**
	DIFFERENTLY ABLED WORKERS:					
Sr. No.	**Particulars**	**Total**	**Male**		**Female**	
			No.	**%**	**No.**	**%**
1.	Permanent	0	0%	0	0	0%
2.	Other than Permanent	0	0%	0	0	0%
3.	**Total**	**0**	**0%**	**0**	**0**	**0%**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	35%	3%	**38%**	24%	2%	**26%**	23%	2%	**25%**
Contractual	N.A.	N.A.	**N.A.**	N.A.	N.A.	**N.A.**	N.A.	N.A.	**N.A.**

Note: Data for contractual workers is not considered, as contractual workers are floating manpower and keep changing as per the requirements of the Company.

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

21. (a) **Names of holding / subsidiary / associate companies / joint ventures**

The Company does not have any holding, associate or joint venture company. The details of subsidiary companies are given in Annexure to Board's Report in Form AOC-1.

(b) **Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No):**

Yes, The following entities undertakes various sustainability initiatives, which furthers the scope and reach of the initiatives taken by Wockhardt Limited in this regard:

1. Wockhardt Infrastructure Development Limited
2. Wockhardt UK Holdings Limited
3. CP Pharmaceuticals Limited
4. Wallis Group Limited
5. The Wallis Laboratory Limited
6. Wockhardt Bio AG
7. Wockhardt UK Limited
8. Wockpharma Ireland Limited
9. Pinewood Laboratories Limited
10. Wockhardt Holding Corp
11. Pinewood Healthcare Limited

VI. CSR Details

22. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No):** Yes.

(ii) **Turnover (in ₹):** ₹ 10,72,47,43,429/-

(iii) **Net worth (in ₹):** ₹ 13,37,75,78,797/-

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities Investors (other than shareholders) Shareholders Employees and workers Customers Lenders Regulators Value Chain Partners	https://www.wockhardt.com/wp-content/uploads/2023/04/stakeholders-relationship-policy.pdf	Nil	Nil	No Complaints received	Nil	Nil	No Complaints received

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Ethical Governance	Opportunity	The Company conducts its business in most ethical manner with high standards of Corporate Governance facilitates long term value creation for all the stakeholders of the Company.	N.A.	**Positive:** Wockhardt has clearly spelt out policies on code of conduct, whistleblowing, anti-bribery and corruption etc. Clearly defined organisation structure with roles and responsibilities and strong governance mechanisms. This ensures smooth conduct of business with integrity. Penal actions are taken for violation of these polices. The above actions facilitates value creation for all its stakeholders.
2.	Data Privacy and information Security	Risk	Risk of leaking personal information thereby compromising privacy. Risk of critical corporate information being compromised.	Data Privacy impact analysis, data privacy policy and notices. Continuing efforts to secure data privacy. The Company's Information Security policies and procedures, continually strives to identify potential threats and working out mitigations to reduce such exposure.	**Negative:** Leakage of person information and privacy infringement could affect reputation. Non-compliance with regulations. Potential penalty by regulators. Compromise of corporate information could affect Organisation. Cyber Attack on information systems could affect operations and consequently the financial performance of the Company.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Digital Transformation	Opportunity	New technologies could change the way of working and improve the efficiencies manifold		**Positive:** Wockhardt continually strive to embrace emerging technologies and ecommerce platforms could change the way of working. Machine learning, Robotic process automation, AI etc. could increase efficiencies manifold, there could be opportunities to help patients improve their care and medication through digital interventions.
4.	Pricing regulations	Risk	Government regulations puts pricing caps on specified medical products from time to time. The price regulations are aimed to help affordability of medicines to common public. Such unforeseen actions by the Government may also impact financials.	"Life Wins" is our motto. At the heart of our business is the clear objective to supply affordable medicines to public at an affordable price and give them every chance to recover.	**Negative:** Pricing caps in some situations could shrink the profitability.
5.	Supply Chain disruptions	Risk	Volatile global geo political development may give rise to situations where there could be disruptions to the supply chain. We always endeavour for a stable supply chain to deliver medicines	The Company has a robust Vendor identification and empanelment process that meets quality standards and regulatory expectations. The Company also strives to grow the vendor base to overcome disruptions. In addition, the Company has implemented Cost effective logistics arrangements which also ensures timely delivery of materials and products to Plants and Customers respectively	**Negative:** Supply chain disruptions may result in delayed supply to customers and potentially affecting patient care. Supply Side constraints could affect manufacturing operations.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

PRINCIPLE 1 (P1) - Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

PRINCIPLE 2 (P2) - Businesses should provide goods and services in a manner that is sustainable and safe.

PRINCIPLE 3 (P3) - Businesses should respect and promote the well-being of all employees, including those in their value chains.

PRINCIPLE 4 (P4) - Businesses should respect the interests of and be responsive to all its stakeholders.

PRINCIPLE 5 (P5) - Businesses should respect and promote human rights.

PRINCIPLE 6 (P6) - Businesses should respect and make efforts to protect and restore the environment.

PRINCIPLE 7 (P7) - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

PRINCIPLE 8 (P8) - Businesses should promote inclusive growth and equitable development.

PRINCIPLE 9 (P9) - Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. **a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	https://www.wockhardt.com/investors/corporate-governance/policies-codes/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fair-trade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Our Manufacturing sites follow stringent quality standards. Some of the quality standards awarded to our manufacturing sites are as follows: 1. WHO GMP/22043238/24389/B 2. ANSM (France) 19MPP006HPT01 3. PMDA Japan AA38601 4. WHO GMP/CERT/AD/112706/2022/11/41496 5. WHO GMP/CERT/AD/92370/2021/11/35705 6. UK GMP 8913 Insp GMP 8913/12228-0008 7. ISO 13485:2016 8. ISO 14001:2015 9. ISO 45001:2018								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The same is under finalization.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N.A.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements: Wockhardt is deeply committed to ESG initiatives. Our Environmental efforts focus on energy-efficient operations, reduction of our carbon footprint, conservation of water and waste reduction. Socially, we invest in well-being of our employees through diversity, equity, inclusion & better working Condition. We also advance the causes of the society through the product safety, sustainable sourcing of raw materials and by supporting health and education of local communities through our special projects. Our Governance practices are rigidized through a diversified and independent Board, transparency through established clear and accessible communication channels along with regular reporting and public disclosures, Stakeholder engagement, ethical conduct and accountability. Through rigorous compliance and responsible marketing, we ensure patient safety and trust. Additionally, our R&D projects target critical health challenges such as Diabetes and AMR, advancing access to affordable medications. By embracing ESG principles, we aim to positively impact society, enhance stakeholder value, and contribute to a healthier, more sustainable world. Our dedication to ESG drives our purpose and defines us as a responsible pharmaceutical industry leader.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Dr. Huzaifa Khorakiwala Designation: Executive Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Corporate Social Responsibility Committee of the Board oversees the matters related to Environmental, Social, and Governance.								

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	**Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee**									**Frequency (Annually/Half yearly/ Quarterly/ Any other - please specify)**								
	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	Corporate Social Responsibility Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Audit Committee and Corporate Social Responsibility Committee of the Board									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	An Independent assessment of the BRSR initiatives by the Company was conducted by Ernst & Young during FY 2022-23.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Not Applicable.

Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 - BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	The Company conducts familiarisation programmes for its Directors & KMPs at regular intervals which covers topics such as ESG parameters and targets, corporate governance practices, employee well-being, innovation & R&D, leadership and various other regulatory updates.	100%
Key Managerial Personnel			
Employees other than BOD and KMPs	6760	The Employees & Workers undergo various trainings/awareness sessions as induction training at the time of joining and various technical and compliance training during the course of employment on Skill upgradation, Health & Safety Measures and Leadership.	82%
Workers			

Note: The Company has one of the best Learning and Development Department in the industry, which has won many prestigious awards like the Golden Peacock Award, Best Training Team of the Year, and Best Chief Learning Officer Award.

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

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	N.A.	N.A.	NIL	N.A.	N.A.
Settlement	N.A.	N.A.	NIL	N.A.	N.A.
Compounding fee	N.A.	N.A.	NIL	N.A.	N.A.

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.	N.A.

4. Does the entity have an Anti-Corruption or Anti-Bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Yes, Wockhardt Limited is committed to the prevention, deterrence and detection of fraud, bribery and other corrupt business practices. Wockhardt Limited is committed to conduct its business activities with honesty, integrity with highest possible ethical standards.

The Company has implemented a stringent Anti-bribery and Anti-corruption Policy which applies to all employees/ associates worldwide who may be working for any affiliates and subsidiaries of Wockhardt Limited at all levels including Directors, Senior Management, Officers and other employees (whether permanent, fixed-term or temporary), Consultants, Contractors, Trainees, Seconded Staff, Casual Workers, Volunteers, Interns, Agents, or any other Business Associate of Wockhardt Limited.

A copy of the Anti-bribery and Anti-corruption Policy is available on the website of the Company and can be accessed at https://www.wockhardt.com/wp-content/uploads/2023/04/anti-bribery-and-corruption-policy.pdf.

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

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest: Not Applicable.

Leadership Indicators

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

Total number awareness programmes held	Topics/principles covered under the training	%age of partners covered (by value of business done with such partners) under the awareness programmes
5	Learning and Development Department organises training programmes from time to time for value chain partners covering topics such like Business code of conduct, Anti-Trust & Fair Competition, Anti-Bribery and corruption policy, EHS Policy and Human Right Equal opportunity policy, in which a lot of emphasis is given on technical training, which is job-related.	80%

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

Yes, Pursuant to the requirement of the Companies Act, 2013 and SEBI Listing Regulations, all the Board members provide disclosure of conflict of interest in Form MBP-1 at the first Board Meeting held during any financial year and upon occurrence of any event of change in interest. Conflicted Board members, if any, do not participate in discussion or vote on matter concerning conflict.

PRINCIPLE 2 - BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFES

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the Environmental and Social Impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	100%	100%	Investments by Wockhardt in Research and Development helped in reducing negative Environmental Impact by reducing the use of water and effluent discharge, reducing air pollution by reducing emissions of SOx, NOx, CO, HC, reducing Carbon Emissions by reducing the use of Energy. Wockhardt's investment in pharmaceutical research, including in NCE's and Biologicals, has Social Impact by improving the efficacy of medicines and drugs with reduced costs of manufacturing thus have wider social impact as the medicines become more affordable.
Capex	5.12%	0.27%	1. Installation of New Compressor (3800 M3/hr. Capacity) which has resulted in less power consumption and energy saving, Noise reduction and Improved efficiency. 2. Installation of Screw Chiller (300 TR) which helped in maintaining process parameters , in quality and yield helping in saving improvement ultimately saving resources. 3. Power Access Project which helped in in monitoring and control of energy consumption. 4. Procurement & installation of new LDO fired boiler (instead of Furnace oil) for Pilot Plant (L -1) resulting in Reduction in emissions / Pollution due change of fuel from Furnace oil to LDO (comparatively low sulphur content).

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

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

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

Recycling of material waste is not allowed in the pharmaceutical industry as per existing provisions of the Drugs and Cosmetic Act, and further considering the potential impact on consumer health, recycled material is not used for the manufacturing and packaging of the Company’s products. However the Company recycles various packaging and other products which are outside the purview of the aforesaid regulatory restrictions.

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

The Company has a mechanism for recalling unsold products at the end of their shelf life at the distributor level and disposing of them as per applicable regulations.

Leadership Indicators

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Iso-Propyl Alcohol (IPA)	87%	92%
Acetonitrile	94%	97%

2. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Recycling of waste is not allowed in the pharmaceutical industry as per existing provisions of the Drugs and Cosmetic Act, and further considering the potential impact on consumer health, recycled material is not used for the manufacturing and packaging of the company's products.

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

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

Recycling of waste is not allowed in the pharmaceutical industry as per existing provisions of the Drugs and Cosmetic Act, and further considering the potential impact on consumer health, recycled material is not used for the manufacturing and packaging of the company's products.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category

PRINCIPLE 3 - BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No.	%	No.	%	No.	%	No.	%	No.	%
Permanent											
Male	2,450	2,450	100%	2,351	96%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	187	187	100%	183	98%	187	100%	N.A.	N.A.	N.A.	N.A.
Total	**2,637**	**2,637**	**100%**	**2,534**	**96%**	**187**	**100%**	N.A.	N.A.	N.A.	N.A.
Other than Permanent (Contractual)											
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total	Health Insurance		Accident Insurance*		Maternity Benefits*		Paternity Benefits		Day Care Facilities	
		No.	%	No.	%	No.		No.	%	No.	%
Permanent											
Male	99	99	100%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	4	4	100%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	**103**	**103**	**100%**	**0**		**0**		**0**		**0**	
Other than Permanent (Contractual)											
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* No claims made during the year

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

Benefits	FY 22-23			FY 21-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Superannuation	100%	100%	Yes	100%	100%	Yes

3. Accessibility of workplaces

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

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

Yes, The Company has a Diversity, Inclusion and Equal Opportunity Policy, a copy of which is available on the website of the Company at https://www.wockhardt.com/wp-content/uploads/2023/04/diversity-inclusion-and-equal-opportunity-policy.pdf.

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

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	N.A.	N.A.	N.A.	N.A.
Female	100%	100%	N.A.	N.A.
Total	**100%**	**100%**	N.A.	N.A.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No ***(If Yes, then give details of the mechanism in brief)***
Permanent Workers	The Company has created several mechanisms through policies, processes and guidelines across all our business operations including for receiving grievances from employees, workers and other stakeholders. No reprisal or retaliatory action is taken against any employee or stakeholder for raising concerns. The Company investigates, addresses and responds to the concerns and takes appropriate corrective action in response to any violation.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union	%	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union	%
Total Permanent Employees	**2,637**	**92**	**3%**	**2,962**	**98**	**7%**
– Male	2,450	92	3%	2,740	98	3%
– Female	187	0	0%	222	0	44%
Total Contractual	**403**	**0**	**0%**	**245**	**0**	**0%**
– Male	402	0	0%	245	0	0%
– Female	1	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.	%	No.	%		No.	%	No.	%
Employees										
Male	2,790	2,559	91	1,380	49	2,625	2,500	95	1,650	62
Female	187	187	100	74	39	218	189	86	56	25
Total	2,978	2,742	92%	1,454	48%	2,843	2,689	94	1,706	60%

Category	FY 2022-23					FY 2021-22				
	Total	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.	%	No.	%		No.	%	No.	%
Workers										
Male	161	161	100	161	100	115	115	100	115	100
Female	4	4	100	4	100	4	4	100	4	100
Total	165	165	100	165	100	119	119	100	119	100

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

Performance Review for FY 2022-23 to be initiated during the FY 2023-24.

Category	FY Current Financial Year			FY Previous Financial Year		
	Total	No.	%	Total	No.	%
Employees						
Male						
Female						
Total						
Workers						
Male						
Female						
Total						

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity?** (Yes/No). **If yes, the coverage such system?** Yes, covered through ISO 45001, ISO 13485 and ISO 14001.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?** Yes, Monthly reports prepared for incident management, Near miss, and accidents.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks: (Yes/No)** Yes.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**: Yes.

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. **Describe the measures taken by the entity to ensure a safe and healthy work place:**

Each manufacturing facility has defined SOP to ensure safe and healthy workplace. Health and safety related trainings/ programs are conducted periodically to ensure awareness.

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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	–
Health & Safety	Nil	Nil	Nil	Nil	Nil	–

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:
As per the Company's procedure for handling incidents and accidents involving safety-related incidents, corrective and preventive actions are taken and reviewed on a quarterly basis.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):** No.
2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:**

   At all our Plants, Timely payment of statutory dues to contract labours is reviewed by taking a challan from the contractors.
3. **Provide the number of employees / workers having suffered high consequence work- related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

   No such instance of rehabilitation, hence not applicable.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**: No
5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% - All vendors working inside factory are assessed under internal safety audit
Working Conditions	100% - Complies as per Factories act

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

   Contract labour working assessment is done on yearly basis at all locations. Instructions available in SOPs, batch processing record for usage of PPEs, MSDS available, periodic training to each employee on Good Manufacturing, good laboratory, Good Engineering practices etc. Assessment for the same is in place during vendor approval through questionnaires and regular audits.

PRINCIPLE 4: - BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

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

   The stakeholders are determined based on the significance of their impact on the business and the impact of the business on them.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	• Quarterly results • Stock exchange disclosures • Annual Report • Annual General Meeting • Interviews • Press/Media releases • Investor/analysts calls and meet • Dedicated Investor relations Team • Share Transfer Agents • Email • Website	Regular least one engagement on a quarterly basis	• Resolving queries • Business performance highlights • Business updates • Economic value / Sustainable wealth creation • Minority shareholder interest • Transparency & disclosure • To discuss publicly available Company information
Vendors	No	• Direct interactions • Supplier meets • Email • Website	Need based	• New business opportunities • Business transparency • Training and development of marketing partners • Business ethics and transparency • Resolving queries
Customers	No	• Visits and meetings • Dedicated programmes for doctors, healthcare professionals, etc. • Email • SMS • Calls • communication • Media • Campaigns, advertising, etc • Website submission • Dedicated Customer Care number	Need based	• Regular updates on Launch of new products • New product features are shared with customers • Product quality • Innovation • Affordable medicines • Safety initiatives • Access to healthcare • Emergency medicines • Cure for difficult diseases • Customer feedbacks
Bankers	No	• Meetings and calls • Conferences • Email • Website	Need based	• Economic value • Compliance and covenants

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & Workers	No	• Training Sessions • Seminars • Surveys • Workshops • Capacity building • Appraisals newsletters & rewards • Health & safety committee meetings • Direct interactions • Events • Email • Website	Regular	• Professional growth • Work-life balance • Diversity and equal opportunity for all • Knowledge sharing, Learning and development • Organization culture / workplace • Minimum wages • Working conditions • Health & safety
Service Providers	No	• Direct interactions • Supplier meets • Email • Website	Need based	• New business opportunities • Business transparency • Training and development of partners and suppliers • Business ethics and transparency • Resolving queries
Government Authorities	No	• Need basis Participation in industry level consultation groups • Policy advocacy • Participation in forums • Email • Website • Stock exchange disclosures	Need based	• Seeking clarifications and relaxation • Communicating challenges and providing recommendations • Compliance and good governance • Sustainable practices • Inclusive growth • Resolving queries
Communities	No	• Direct engagement • Visits and camps • Community needs assessments • Social projects and engagement • Email • Website	Regular	• Infrastructure development • Education & healthcare • Environmental protection • Generating local employment opportunities
Value Chain Partners	No	• Direct interactions • Supplier meets • Email • Website	Need based	• New business opportunities • Business transparency • Training and development of partners and suppliers • Business ethics and transparency • Resolving queries
Any other, please specify	N.A.	N.A.	N.A.	N.A.

PRINCIPLE 5 - BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	2,637	2,167	82	2,625	1,950	74
Other than permanent	341	N.A	N.A	218	N.A	N.A
Total Employees	**2,978**	**2,167**	**72**	**2,843**	**1,950**	**68%**
Workers						
Permanent	103	103	100	119	119	100
Other than permanent	62	62	100	78	78	100
Total Workers	**165**	**165**	**100**	**197**	**197**	**100**

Note:

1. Every 10th day of the month is fixed for POSH related training and awareness by our Learning and Development Department.
2. The workers are given training on relevant aspect in their induction at the time of joining.

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

Category	FY 2022-23					FY 2021-22				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.	%	No.	%		No.	%	No.	%
Employees										
Permanent										
Male	2,351	0	0%	2,351	100%	2,625	0	0%	2,625	100%
Female	183	0	0%	183	100%	218	0	0%	218	100%
Other than Permanent										
Male	340	340	100%	0	0%	322	322	100%	0	0%
Female	1	1	100%	0	0%	0	0	0%	0	0%
Workers										
Permanent										
Male	99	0	0%	99	100%	115	0	0%	115	100%
Female	4	0	0%	4	100%	4	0	0%	4	100%
Other than Permanent										
Male	62	47	76%	15	24%	78	53	68%	25	32%
Female	0	0	0%	0	0%	0	0	0%	0	0%

3. Details of remuneration/salary/wages, in the following format:

		Male		Female	
		Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
1. a	Board of Directors (BoD)-Executive Directors	3	2,40,00,000	Nil	Nil
1. b	Board of Directors (BoD)-Non-Executive Directors	5	16,00,000	2	10,00,000
2.	Key Managerial Personnel	3	1,42,22,197	Nil	Nil
3.	Employees other than BoD and KMP	2,346	5,68,252	183	6,60,000
4.	Workers	99	3,14,040	4	2,76,543

Note:

1. Executive Directors includes Chairman, Managing Director and Executive Director.
2. Non-Executive Directors includes Independent Directors and Non-Executive Directors.
3. Key Managerial Personnel includes Managing Director and Company Secretary. During the FY 2022-23. Mr. Pramod Gupta, erstwhile Chief Financial Officer (CFO) resigned from his position and Mr. Deepak Madnani was appointed as the new CFO of the Company w.e.f. 7th June, 2022, hence the remuneration of CFO is not comparable for determination of Median remuneration and is not considered for the same.

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

Yes, The Corporate Social Responsibility Committee is responsible for addressing the human rights impacts or issues caused or contributed to by the business, if any. The Focal points of contacts are:

1. Dr. Huzaifa Khorakiwala – Executive Director
2. Mr. Prasanna Bharatan - Global Head - Internal Audit Assurance and Enterprise Risk Management.

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

The Human Resources Department of the Company is responsible for the Human Rights Policy design, implementation and updation. Every unit, place of businesses of the Company endeavours to identify, assess and manage human rights impacts within the framework described in the Wockhardt's Human Rights Policy.

A copy of Human Rights Policy is available on the website of the Company at https://www.wockhardt.com/wp-content/uploads/2023/04/human-rights-policy.pdf.

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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

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

The Company has Prevention of Sexual Harassment Policy for Prevention & Redressal of Complaints of Sexual Harassment and matter connected therewith or incidental thereto at the workplace on the basis of Natural Justice & Confidentiality.

Further, the company has a Whistle Blower Policy/ Vigil Mechanism for the Directors and employees to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

The Complaints of Sexual Harassment and matter connected therewith are handled confidentially with the facts made available only to those who need to know in order to investigate and resolve the matter. In case of complaints through Whistle Blower/ Vigil Mechanism, The Whistle blower, Vigilance Officer, Chairman and members of Audit Committee, the subjects and everybody involved in the process shall maintain confidentiality of all matters under this policy.

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

9. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100% by POSH Committee
Discrimination at workplace	100% Inspected by Government Labour Officer
Child Labour	100% Inspected by Government Labour Officer
Forced Labour /Involuntary Labour	100% Inspected by Government Labour Officer
Wages	100% Inspected by Government Labour Officer
Others – please specify	100% Timely inspected & Audited by various Government authorities i.e. Labour Officer, Factory Inspector, Employment Officer, Apprentice Advisor, Certifying Surgeon

Note: For Plants, Internal assessment is done on half yearly basis, External agencies may do any assessment on need basis. Apart from this, For Employees HR Internal assessment is done in IA audits. Prevention of Sexual Harassment Policy and Whistle Blower Policy is in place for raising complaints.

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

There were no risks / concerns arising from the assessments at Question 9 above.

Leadership Indicators

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

Yes, Ramps and Wheelchairs are made available at site location and also Manual support is provided whenever required.

PRINCIPLE 6 - BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

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

Parameter	**FY 2022-23**	**FY 2021-22**
Total electricity consumption (A)	4,84,58,053 Units	5,89,78,007 Units
Total fuel consumption (B)	36,702 MT/A	37,435 MT/A
Energy consumption through other sources [C]	Nil	Nil
Total energy consumption (A+B+C)	**4,84,94,755 MT/Annum**	**5,90,15,442 MT/Annum**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	N.A.	N.A.
Energy intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.

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

An Independent assessment of the BRSR initiatives taken by the Company, including the initiatives taken by the Company to protect the environment, was conducted by Ernst & Young during FY 2022-23.

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

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

Parameter	FY 2022-2023	FY 2021-2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	4,78,458 KL	5,43,536 KL
(ii) Groundwater	Nil	Nil
(iii) Third party water (MIDC)	28,055 KL	35,219 KL
(iv) Seawater / desalinated water	Nil	Nil
(v) Others (Tanker)	4,905 KL	2,068 KL
Total volume of water withdrawal (in kilolitres) (i+ii+ii+iv+v)	**5,11,418 KL**	**5,80,823 KL**
Total volume of water consumption (in kilolitres)	**5,11,418 KL**	**5,80,823 KL**
Water intensity per rupee of turnover (Water consumed / turnover)	N.A.	N.A.
Water intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: An Independent assessment of the BRSR initiatives taken by the Company, including the initiatives taken by the Company to protect the environment, was conducted by Ernst & Young during FY 2022-23.

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

Yes, the Company has implemented a mechanism for Zero Liquid Discharge in its plants, detailed as follows:

At Ankleshwar Plant - We are sending treated effluent for further treatment at CETP as per PCB norms & guideline.

At Plants located at Daman & Shendra - treated through Internal ETP, hazardous waste is treated as per PCB norms, ETP water is used in garden. D-4 - treated through Internal ETP, hazardous waste is treated as per PCB norms, ETP water is used in garden.

At Biotech Park Plant: We are sending treated effluent for further treatment at CETP (Common effluent treatment plant operated by SMS group and MIDC) as per MPCB norms & guideline.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-2023	FY 2021-2022
Nox	ppm	135.34	122.09
Sox	Kg/Day	49.46	100.82
Particulate matter (PM)	Mg/NM3	124.9	125.33
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil
Others – please specify		Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, PCB Authorized environment auditor & NABL/MOEF approved laboratory have conducted independent assessment of the air emissions by various manufacturing units of the Company.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	19,167	32,846
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,12,712	1,43,853
Total Scope 1 and Scope 2 emissions per rupee of turnover		Nil	Nil
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Nil	Nil

Note:

1. The emission is measured for Biotech Park Plant, Waluj only.
2. The Plant do generated CH4 methane gas from Anaerobic reactors but the same is burnt in flare system and not directly contributing to GHG.
3. **Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:** Yes, by authorised officials of the Pollution Control Board.

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:**

Biomass Boiler Project in Biotech Park Plant, Waluj and Ankleshwar Plant, Gujrat, reduces Green House Gas emissions and pollution.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	**FY 2022-2023**	**FY 2021-2022**
Total Waste generated (in metric tonnes)		
Plastic waste	286.44	1184.239 MT
E-waste	Nil	Nil
Bio-medical waste	Nil	4.068 MT
Construction and demolition waste	1.15 MT	19.55 MT
Battery waste	15.69 MT	Nil
Radioactive waste	N.A.	N.A.
Other Hazardous waste. Please specify, if any.	300.282 MT	878.92 MT
Other Non-hazardous waste generated. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Cleaned empty drums-MS:121 Cleaned HDPE Drums:16336 Nos Wood from palet, packing: 5.6 MS Scrap : 16 Paper scrap: 3.1	Cleaned empty drums-MS:18 Cleaned HDPE Drums:18181 Nos Wood from palet, packing: 2.133 MS Scrap : 8.8 Paper scrap: 1.7
Total	**603.56 MT**	**2086.77 MT**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1,400 MT	1,629 MT
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	**1,400 MT**	**1,629 MT**

Parameter	FY 2022-2023	FY 2021-2022
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	51.98 MT	67.61 MT
(ii) Landfilling	100 MT	440.06 MT
(iii) Other disposal operations	1.15 MT	9.64 MT
Total	**153.13 MT**	**517.31 MT**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, by NABL, MOEF approved laboratory & PCB authorized environment auditor.

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

   The Company has laid down guidelines for management and handling of hazardous waste practises to reduce usage of hazardous and toxic chemicals and also formal SOPs for collection, handling, storage, and disposal of hazardous and toxic chemicals, hazardous waste, and other waste.

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

    No location is present in ecologically sensitive areas.

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of Environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.

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

    No project were undertaken by the Company in FY 2022-23.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web slink

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

    Yes, Compliance requirements are tracked through quarterly Compliance Reports taken from the respective functional heads. Exceptions, if any, are followed up for timely closure.

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

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

The Company proposes to shift to renewable sources to meet its energy requirements in a gradual manner. Presently the Company only uses energy from non-renewable sources. However, various through implementation of various energy consumption optimisation measures, the Company was able to achieve significant reduction in overall energy consumption during the year under review vis-à-vis the previous year as detailed below.

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption	Nil	Nil
Total fuel consumption	Nil	Nil
Energy consumption through other sources	Nil	Nil
Total energy consumed from renewable sources	Nil	Nil
From non-renewable sources		
Total electricity consumption (MSEDCL)	4,86,97,996 KWH	5,92,49,093 KWH
Total fuel consumption (DG + Boiler)	43,974 lit.	45,749 lit.
Energy consumption through other sources	Nil	Nil
Total energy consumed from non-renewable sources	4,87,41,970 units	5,92,94,842 units

Note:

1. **Total electricity consumption is calculated in Kilowatt Hours and Total fuel consumption (DG + Boiler) is calculated in Litres.**
2. **Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:** An Independent assessment of the BRSR initiatives taken by the Company, including the initiatives taken by the Company for optimisation of Energy Consumption, was conducted by Ernst & Young during FY 2022-23.

2. **Provide the following details related to water discharged:**

All our plants and R&D facilities in Aurangabad have zero liquid discharge. Waste water is treated at the site by an effluent treatment plant and reused for irrigation and landscaping.

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater	Nil	Nil
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater	Nil	Nil
No treatment		
With treatment – please specify level of treatment		

Parameter	FY 2022-23	FY 2021-22
(iv) Sent to Third parties		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Treated Effluent used for gardening after Primary, Secondary &Tertiary Treatment: **2,33,583 KL**	Treated Effluent used for gardening after Primary, Secondary &Tertiary Treatment: **25,375 KL**
(v) Others	Nil	Nil
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**2,33,583 KL**	**25,375 KL**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, NCT (CETP), NABL/M0EF approve laboratory & PCB authorized environment auditor.

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:**

   No Plant is located in ecologically sensitive areas, hence not applicable.

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

R&D Plant:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	ETP	All treated effluent is used within premises.(ZLD)	Complied.

Shendra Plant:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	ISO 14001 & ISO 45001 certification of the site	Site is assessed by ISO certifying agency - Afnor France & awarded with ISO 14001 & ISO 45001	ISO 14001 & ISO 45001 Certified site
2	ETP	All treated effluent is used within premises.(ZLD)	Complied.
3	Fuel (Boiler)	Briquette usages	Complied.

Biotech Park Plant, Waluj:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	LSHS Low sulphur fuel started using to replace Furnace Oil	As per the guidelines from PCB initiated the drive to switch over from Furnace oil (High sulphur) to Low sulphur High stock by making the required changes in Boiler and storage tanks	Lower sulphur emissions as compared to previous
2	Enhanced the shelf life of Briquette Boiler Bag filter	Installed PHE (PRE HEAT EXCHANGER) to reduce the stack temperature and also installed the flask back arrestor to enhance the life of Bag filter and improve its working	Less emissions of particulate matter from briquette Boiler stack
3	Reduce the waste water generation by 60 CMD by installing second stage RO in process water generation plant (CSRO)	Earlier the process water generation was with single stage RO ,now with addition of second stage RO the recovery has been improved	less water consumption by 60 CMD and less waste water generation
4	Pure steam condensate recovery (Total condensates recovered 34140 KL)	Header line of steam modified and all condensate collected for steam generation thereby reduce the load on boiler	Fuel consumption of Boiler and water consumption of Boiler reduced

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of 15 CFM lubricated air compressor for Purified water system (1 Cu.mt /Hr capacity) instead of existing 1000 CFM Non lubricated air compressor during less manufacturing demand resulting saving of electrical power units of 5000 KWH /Month .	Installation of 15 CFM Non lubricated air compressor for Purified Water system.	Power consumption is reduced by 5000 KWH/Month.
2	Installation of VFD (Variable frequency drive) for Air Handling Units of Non classified areas of HVAC resulting Electrical Units saving of 3000 KWH/month	Installation of VFD for 14 Nos AHU's of Non classified area for maintaining Temp & RH in the areas resulting electrical units saving of 3000 KWH/month.	Power consumption is reduced by 3000 KWH/Month.
3	Installed VFD (Variable frequency drive) for Air Handling Units 02 no's of Warehouse areas. AHUs run with 30 Hz Frequency resulting Electrical Units saving of 5400 KWH/month	Reduce the VFD frequency from 50 Hz to 30 Hz of AHU No -39 and AHU No -34 of Formulation -2 Warehouse which is Non-classified area for maintaining the Temperature and RH.	Power consumption is reduced by 5400 KWH/Month.
4	New Oil free process air comp installed (Atlas make 2619 CFM)	To improve the Process air Pressure and reduce air temp.	Process air Pressure increased from 2.4 kg/cm2 to 2.9 kg/cm2 in production area so that Fermentation production yield increased.
5	Enhanced the shelf life of Briquette Boiler (MR 15727) By Replacing Boiler all smoke tubes	On Proactive basis all Briquette Bolier tube replaced with new one. Boiler installed on 2012 so Tubes replaced after 10 year.	Improved in Boiler efficiency and life
6	Enhanced the shelf life of LSHS Boiler (MR 13359 & MR 13360) by Replacing Boiler all smoke tubes	On Proactive basis all FO Boiler tube replaced with new one. Boiler installed	Improved in Boiler efficiency and life.
7	Briquette Boiler bag Filters bags Replaced	Total 240 Nos. bags replaced	Less emissions of particulate matter from briquette Boiler stack

Ankleshwar Plant:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	ETP	Raw effluent treat in ETP than only send to CETP for further treatment.	Complied
2	Treated effluent discharge to CETP	Effluent discharge to CETP by monitoring PH & TSS.	Complied
3	Emission reduction.	Process scrubber provide in plants and monitoring to be done.	Complied
4	Spent carbon waste	Spent carbon waste to be send to co-processing unit.	Complied

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:**

The Company has an "On Site Emergency Response Plan" for business continuity and disaster management.

The Purpose of the Emergency Response Manual is to lay down a comprehensive plan to ensure adequate and coordinated response measures in the event of a mishap and the aim of the Emergency Response Manual is to list out possible contingencies evolved after a Safety Analysis and organize persons and resources to ensure a timely and credible response to emergencies with a view to minimize injuries to personnel and damage to property and the environment and to bring operations back to normal after an emergency.

The scope of the Manual is to:

1. Carry out a safety analysis, identify and classify critical control points.
2. Develop an emergency response plan to deal with emergencies in the plant.
3. Develop systems and procedures for shift safety briefing, charge and periodic safety inspections.

The Manual covers emergencies including any natural, man-made or work related situation, which can result in serious injuries to persons, extensive damage to property and equipment or to the environment. Emergencies which can range from natural disasters such as earthquakes and floods to deliberate acts of sabotage and installation or process related occurrences such as fire, explosion and leakage of toxic liquids or gases. While it may not be possible to completely eliminate emergency situations, it is definitely possible to control them. Further, respective Section/Department heads shall ensure that all possible emergencies are identified & every person in his/her department is aware of respective role regarding emergency response procedure. Rehearsals of on-site response plans assist in controlling a mishap. Emergency Evacuation is the immediate and urgent movement of people away from the threat or actual occurrence of Hazardous Event.

PRINCIPLE 7 - BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations: 4.**

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
2.	Indian Pharmaceutical Alliance (IPA)	National
3.	Confederation of Indian Industry (CII)	National
4.	Bombay Chamber of Commerce & Industry (BCCI)	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:**

   No such case of anti-competitive conduct or adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken

PRINCIPLE 8 - BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

   No new projects were undertaken by the Company during FY 2022-23.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

   No such project was undertaken by the Company during FY 2022-23.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)

3. Describe the mechanisms to receive and redress grievances of the community:

The Company has laid down a detailed Stakeholders Grievance Policy to facilitate all stakeholders to file their grievances with the Company. Accordingly the concerned Stakeholders may reach out to the concerned officials of the Company for resolution of their grievances as follows:

Stakeholders	Contact	Contact details*
Retail Investors	**Level 1:** RTA/ Investor Relations **Escalation:** Company Secretary	**Level 1:** **RTA** Link Intime India Pvt. Ltd. UNIT: Wockhardt Limited C-101, 247 Embassy Park, Lal Bahadur Shastri Marg, Vikhroli (west), Mumbai 40083 Phone: +91 22 4918 6270 Email: wockhardt@linkintime.co.in **Investor Relations** : Wockhardt Limited Wockhardt Towers G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051 Phone: +91 22 26534444 Email: Investorrelations@wockhardt.com **Escalation** **Name: Debashis Dey** **Address:** As above Phone: +91 22 26534444 Email: Ddey@wockhardt.com
HNI/ Institutional Investors	**Level 1:** Investor Relations **Escalation:** Company Secretary/ Head – Investor Relations	**Level 1:** Wockhardt Limited Wockhardt Towers G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051 Phone: +91 22 26534444 Email: Investorrelations@wockhardt.com **Escalation** **Name: Debashis Dey** **Address:** As above Phone: +91 22 26534444 Email: Ddey@wockhardt.com
Lenders	**Level 1:** Head – Treasury **Escalation:** CFO	**Ganesh Gaikwad** **Address:** As above Phone: +91 22 26534444 Email: GaneshG@wockhardt.com **Deepak Madnani** **Address:** As above Phone: +91 22 26534444 Email: DMadnani@wockhardt.com

Stakeholders	Contact	Contact details*
Customers – Quality Complaints	**Level 1:** Dy. Head- Quality **Escalation:** Quality Head	**Pravin Kulkarni** **Address:** As above Phone: +91 22 26534444 Email: Kulkarni.Pravin@wockhardt.com **Dr. Sanjeev Sharma** **Address:** Wockhardt Biotech Park H-14/2, MIDC Area Waluj, Maharashtra – 431136 Phone: +91 240 6664444 Email: SanjeevS@wockhardt.com
Customers – Market Complaints	**Level 1:** Divisional Business Head **Escalation:** India Business Head	**Ortho/ Neuro :** Gautam Chakraborty (Email: GChakraborty@wockhardt.com) **Diabetes :** LCS Vishnu (Email: LCSSriVishnu@wockhardt.com) **Antibiotic Drug Discovery:** Shambhu Khetawat (Email: SKhetawat@wockhardt.com) **Nephrology:** Amit Kumar Chib (Email: AChib@wockhardt.com) **Pharma:** Anil Singh (Email: Anil.Singh@wockhardt.com) **Institutions:** Pradeep Gupta (Email: PradeepG@wockhardt.com) **Address:** Wockhardt Limited Wockhardt Towers G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051 Phone: +91 22 26534444 **Amrut Medhekar** **Address:** As above **Phone:** +91 22 26534444 **Email:** AmrutM@wockhardt.com
Value Chain Partners – Supplier/ contractors	**Level 1:** GM – Supply Chain **Escalation:** President – Supply Chain	**Rita Lobo** **Address:** As above **Phone:** +91 22 26534444 **Email:** rlobo@wockhardt.com **Prakash Gupta** **Address:** As above **Phone:** +91 22 26534444 **Email:** PrakashG@wockhardt.com

Stakeholders	Contact	Contact details*
Value Chain Partners – Distributors	**Level 1:** **AVP – Distribution** **Escalation:** President – Supply Chain	**Shailesh Tekriwal** **Address:** As above Phone: +91 22 26534444 **Email:** AmrutM@wockhardt.com **Prakash Gupta** **Address:** As above Phone: +91 22 26534444 **Email:** AmrutM@wockhardt.com
Community	**Level 1:** Local Admin **Escalation:** Head - Local Admin	**Aurangabad:** Mahendra Manwatkar **Address:** Benchmark, Paithan Rd, Nakshtra Wadi MBR, Aurangabad, Maharashtra 431001 **Phone:** +91 240 660 6300 **Email:** MManwatkar@wockhardt.com **Mumbai & rest of India:** Pravin Kharat **Address:** Wockhardt Limited Wockhardt Towers G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051 Phone: +91 22 26534444 Email: PKharat@wockhardt.com **Aurangabad:** Monisha Brahma **Address:** Benchmark, Paithan Rd, Nakshtra Wadi MBR, Aurangabad, Maharashtra 431001 **Phone:** +91 240 660 6300 **Email:** MBrahma@wockhardt.com **Mumbai:** Debolina Partap **Address:** Wockhardt Limited Wockhardt Towers G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051 **Phone:** +91 22 26534444 **Email:** Dpartap@wockhardt.com
Regulators	**Level 1:** Company Secretary/ Compliance Officer **Escalation:** Managing Director	**Name: Debashis Dey** **Address:** As above Phone: +91 22 26534444 Email: Ddey@wockhardt.com **Name: Dr. Murtaza Khorakiwala** **Address:** As above Phone: +91 22 26534444 Email: MKhorakiwala@wockhardt.com

In addition to the above, stakeholders may approach the concerned Company Officials at the Corporate office at: **Wockhardt Towers, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051 from Monday – Friday between 11.00 am to 5.00 pm.**

A copy of the Stakeholders Grievance Policy is available on the website of the Company at https://www.wockhardt.com/wp-content/uploads/2023/04/stakeholders-relationship-policy.pdf.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Being a pharmaceutical company, we do not discriminate any vendor on the basis of geography or size and provide equal opportunity. Vendors are appointed based on Regulatory approval.

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	14.65%	38.15%
Sourced directly from within the district and neighbouring districts	33.45%	35.78%

PRINCIPLE 9 - BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

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

Consumer complaints and feedback can be conveyed to the company through email, phone call, or the Wockhardt ADR Collection Form. The web-link of contact details is https://www.wockhardt.com/adverse-event-reporting/.

The Company has laid down a detailed Stakeholders Grievance Policy to facilitate all stakeholders to file their grievances with the Company. A copy of the Stakeholders Grievance Policy is available on the website of the Company at https://www.wockhardt.com/wp-content/uploads/2023/04/stakeholders-relationship-policy.pdf.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	N.A.
Safe and responsible usage	100% as per Drugs and Cosmetics Act
Recycling and/or safe disposal	N.A.

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	N.A.	Nil	Nil	N.A.
Advertising	Nil	Nil	N.A.	Nil	Nil	N.A.
Cyber-security	Nil	Nil	N.A.	Nil	Nil	N.A.
Delivery of essential services	Nil	Nil	N.A.	Nil	Nil	N.A.
Restrictive Trade Practices	Nil	Nil	N.A.	Nil	Nil	N.A.
Unfair Trade Practices	Nil	Nil	N.A.	Nil	Nil	N.A.
Other	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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

	Number	Reasons for recall
Voluntary recalls	Nil	N.A.
Forced recalls	1	Statutory Recall

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:**

   Yes, The Company has a Cybersecurity Policy which ensures the confidentiality, integrity, and availability of the company's Pharma IP, digital assets and the Operational Technology (OT) assets through the implementation of effective cybersecurity controls and practices. The Policy aims to mitigate the risk of cyber threats, unauthorized access, data breaches, and other malicious activities that may compromise the company's assets.

   A copy of the Cybersecurity Policy is available on the website of the Company at https://www.wockhardt.com/wp-content/uploads/2023/07/wockhardt-cybersecurity-policy.pdf.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:**

   The Company does not advertise its product which are usually prescription drugs, in compliance with the applicable regulations. Further there were no issues related to delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Leadership Indicators

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

   The Company's website provides detailed information about it's products and services which can be accessed at https://www.wockhardt.com/about-us/products/india-branded-business/

   For further details on any product, the concerned stakeholders may also reach out to us using the contact details/ communication mode provided in under Stakeholders Grievance Policy. A copy of the which is available on the website of the Company at https://www.wockhardt.com/wp-content/uploads/2023/04/stakeholders-relationship-policy.pdf.

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

   Safety Information and dosage guidelines are provided on the product packages as per The Drugs and cosmetics Act. Further, regular training & guidelines are provided to the healthcare providers, who may guide their patients accordingly.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

   Being a Pharmaceuticals Company this is not applicable to us. The Company promptly complies with any discontinuation of Pharma Product directive issued by the concerned authorities in any market.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No):** No

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact:** Nil

   b. **Percentage of data breaches involving personally identifiable information of customers:** Nil

REPORT ON CORPORATE GOVERNANCE

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as 'SEBI Listing Regulations'), the Company presents the Report on Corporate Governance for the financial year ended March 31, 2023 containing the matters detailed in the said Regulations with respect to Corporate Governance requirements.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Wockhardt Strives to adopt the highest standards of excellence in Corporate Governance to enhance its value and value of its stakeholders. The core value of Company's governance process includes independence, integrity, accountability, transparency, responsibility and fairness. The Company believes that good Corporate Governance strengthens the investors trust and ensures long term relationship with other Stakeholders which help the Company to achieve its objectives.

2. BOARD OF DIRECTORS

(a) Composition and other related matters

The Board consists of an optimal combination of Executive, Non-Executive and Independent Directors, representing a judicious mix of in-depth knowledge, diversity and experience.

The present strength of the Board is 10 (Ten) Directors comprising of 6 (Six) Independent Directors, 3 (Three) Executive Directors and 1 (One) Non-Executive Non-Independent Director. The Company has 2 (Two) Women Directors on its Board which includes 1 (One) Independent Director. The Chairman of the Board is an Executive Director.

During the year under review, 6 (Six) Board Meetings were held on April 4, 2022, May 30, 2022, June 7, 2022, August 12, 2022, November 4, 2022 and February 13, 2023. The gap between two consecutive meetings was not more than one hundred and twenty days, thereby complying with the Regulation 17(2) of the SEBI Listing Regulations and Companies Act, 2013 ('Act').

The composition of the Board, details of other directorships, committee positions as on March 31, 2023 and attendance of Directors at the Board Meetings and at the Annual General Meeting ('AGM') held during the year under review were as follows:

Name of the Director	Category of Directorship	Number of Directorships held in other Companies		Number of Committee positions held in other Public Companies[(3)]		Attendance at	
		Total Directorship[(1)]	Directorship in other Public Companies[(2)]	Chairperson[(4)]	Member	Board Meetings	Previous Annual General Meeting (August 12, 2022)
Dr. Habil Khorakiwala Chairman DIN: 00045608	Executive/Promoter	15	2	Nil	Nil	6	Yes
Mr. Aman Mehta DIN: 00009364	Independent	1	1	NIL	1	6	Yes
Mr. D. S. Brar DIN: 00068502	Independent	12	4	2	5	6	Yes
Dr. Sanjaya Baru DIN: 05344208	Independent	1	1	Nil	1	6	Yes
Mrs. Tasneem Mehta DIN: 05009664	Independent	Nil	Nil	Nil	Nil	6	Yes
Mr. Vinesh Kumar Jairath DIN: 00391684	Independent	7	6	Nil	6	6	Yes
Mr. Akhilesh Gupta DIN: 00359325	Independent	Nil	Nil	Nil	Nil	6	Yes
Dr. Huzaifa Khorakiwala Executive Director DIN: 02191870	Executive/Promoter Group	12	2	Nil	1	6	Yes
Dr. Murtaza Khorakiwala Managing Director DIN: 00102650	Executive/Promoter Group	9	3	1	1	6	Yes
Ms. Zahabiya Khorakiwala DIN: 00102689	Non-Executive Non- Independent/ Promoter Group	9	4	1	1	4	Yes

(1) *Excludes Dormant Companies and Section 8 Companies.*

(2) *Excludes directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.*

(3) *This includes only Chairmanships/Memberships of the Audit Committee and Stakeholders Relationship Committee of all other listed and unlisted public limited companies as per Regulation 26 of the SEBI Listing Regulations.*

(4) *The total no. of Membership in the Committees includes the no. of Chairpersonship in such Committees.*

Names of other listed entities where the Directors of our Company are also Director and the category of their directorship are as follows:

Name of Directors	Name of other listed entities in which he/she is a Director	Category of Directorship
Dr. Habil Khorakiwala	Nil	Not Applicable
Mr. Aman Mehta	Max Financial Services Limited	Independent Director
Mr. D. S. Brar	Mphasis Limited	Independent Director
	Maruti Suzuki India Limited	Independent Director
	EPL Limited	Independent Director
Dr. Sanjaya Baru	Artemis Medicare Services Limited	Independent Director
Mrs. Tasneem Mehta	Nil	Not Applicable
Mr. Vinesh Kumar Jairath	The Bombay Dyeing and Manufacturing Company Limited	Independent Director
	Kirloskar Oil Engines Limited	Non-Executive Non-Independent Director
	Kirloskar Industries Limited	Non-Executive Non-Independent Director
	Bombay Burmah Trading Corporation Limited	Independent Director
Mr. Akhilesh Gupta	Nil	Not Applicable
Dr. Huzaifa Khorakiwala	Nil	Not Applicable
Dr. Murtaza Khorakiwala	Nil	Not Applicable
Ms. Zahabiya Khorakiwala	RPG Life Sciences Limited	Independent Director

As detailed in the table hereinabove, the number of total directorships of all the Directors were within the limit set under Section 165(1) of the Act, which excludes Dormant Companie and Section 8 Companies. No resolution has been passed by the members of the Company under sub-section (2) of Section 165 of the Act.

Further, in compliance with Regulation 17A of the SEBI Listing Regulations, none of the Independent Directors hold directorships in more than seven listed companies. Also, none of the Independent Directors serve as Whole-time Director/ Managing Director in any listed entity. The Managing Director and Whole Time Director do not serve as Independent Director on any listed Company.

None of the Directors are members of more than ten Committees of the prescribed nature or holds Chairmanship of more than five such committees across all Listed or Unlisted Public Limited Companies in which they are Directors, thereby complying with the provisions of Regulation 26 of the SEBI Listing Regulations.

The details of Company's Equity held by each of the Directors are provided "Remuneration of Directors" in this Report.

Inter-se relationships among Directors

Dr. Huzaifa Khorakiwala, Executive Director, Dr. Murtaza Khorakiwala, Managing Director and Ms. Zahabiya Khorakiwala, Non-Executive Non-Independent Director are children of Dr. Habil Khorakiwala, Executive Chairman. Except this, there are no inter-se relationships amongst the Directors.

(b) Selection of new Directors and Board Membership Criteria

All the Directors of the Company, including the Independent Directors are well qualified, experienced and renowned persons from the fields of Pharmaceuticals, Business Administration, Manufacturing, Finance, Public Administration, Environmental Management, Banking, Infrastructure, Governance, Mergers and Acquisitions and Technology, amongst others. The Board's guidance provides foresight, enhances transparency and adds value in decision-making.

The Board, on the recommendation of the Nomination and Remuneration Committee has identified the key skills/ expertise / competencies desirable the context of its business(es) and sector(s), for the effective functioning of the Company as detailed below:

Sr. No	Skills/ Expertise/ Competence	Attributes
1	Leadership and General Management	Ability to envision the future and prescribe a strategic goal for the Company, help the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/efforts in appropriate direction. Be a thought leader for the Company and be a role model in good governance and ethical conduct of business, while encouraging the organization to maximize Shareholder value. Should have had hands on experience of leading an entity at the highest level of management practices.
2	Industry knowledge and experience	Should possess domain knowledge in businesses in which the Company participates viz. in the fields of Pharmaceuticals, Biotechnology and a chain of advanced Super Speciality Hospitals. Must have the ability to leverage the developments in the areas as appropriate for betterment of Company's business.
3	Experience and Exposure in policy shaping and industry advocacy	Should possess ability to develop professional relationship with the Policy makers and Regulators for contributing to the shaping of Government policies in the areas of Company's businesses.
4	Governance including legal compliance	Commitment, belief and experience in setting Corporate Governance practices to support the Company's robust legal compliance systems and governance policies/practices.
5	Expertise/Experience in Finance & Accounts / Audit / Risk Management areas	Ability to understand financial policies, accounting statements and disclosure practices and contribute to the Financial/Risk Management policies/practices of the Company across its business lines and geography of operations.
6	Global Experience / International Exposure	Ability to have access and understand business models of global corporations, relate to the developments with respect to leading global corporations and assist the Company to adapt to the environment, understand the geo political dynamics and its relations to the Company's strategies and business prospects and have a network of contacts in global corporations and industry worldwide.
7	Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
8	Pharmaceuticals, Science and Technology	Significant background and experience in Pharmaceuticals sector, Science and Technology domain.
9	Manufacturing, Quality and Supply Chain	Operational expertise and technical know-how in the area of manufacturing, quality and supply chain.
10	M&A and Business Development	Examining potential M&A deals for inorganic growth in line with the Company's growth strategy.
11	Sales, Marketing and Commercial	Experience in strategizing market share growth, building brand awareness, enhancing enterprise reputation.

The eligibility of a person to be appointed as a Director of the Company is, *inter alia*, dependent on whether the person possesses the requisite desirable skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or industry or is a proven academician in the field relevant to the Company's business or industry. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

The abovementioned desirable skills / expertise / competencies are available with the Board as a whole. The details of skill matrix and expertise vis-a-vis each member of the Board can be summarised as follows:

Sr. No.	Name of Directors	Experience/ Attribute/ Expertise										
		1	2	3	4	5	6	7	8	9	10	11
1	Dr. Habil Khorakiwala	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Mr. Aman Mehta	✓	✓	✓	✓	✓	✓	✓			✓	✓
3	Mr. D. S. Brar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Dr. Sanjaya Baru	✓	✓	✓	✓	✓	✓	✓				✓
5	Mrs. Tasneem Mehta	✓	✓	✓	✓	✓		✓				✓
6	Mr. Vinesh Kumar Jairath	✓	✓	✓	✓	✓	✓	✓				✓
7	Mr. Akhilesh Gupta	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
8	Dr. Huzaifa Khorakiwala	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Dr. Murtaza Khorakiwala	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Ms. Zahabiya Khorakiwala	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

(c) Independent Directors

Each Independent Director ('ID') are appointed in accordance with, and are effectively discharging their obligations as stated under Regulation 25 of the SEBI Listing Regulations.

Annually and as and when there is any change in any circumstances, each ID are required to submit a self-declaration, confirming their independence and compliance with various eligibility criteria, among other disclosures. All such declarations are placed before the Board for information and noting.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management.

The Company has issued formal letters of appointment to all the Independent Directors. As required under Regulation 46(2)(b) of the Listing Regulations, the terms and conditions of their appointment are posted on the Company's website and can be accessed at https://www.wockhardt.com/investors/corporate-governance/policies-codes/

(d) Changes in Board during FY 2022-23

Exim Bank has withdrawn the nomination of Ms. Rima Marphatia, as Nominee Director on the Board of Directors of the Company consequent to full satisfaction of loan w.e.f. August 3, 2022.

(e) Board Meetings and Procedures

The Board is regularly apprised and informed of important business-related information. The Board meeting dates are finalized in consultation with all the Directors well in advance. The Board meets at least once a quarter to review the quarterly Financial Results and other agenda items. Additional meetings are held when necessary. Committees of the Board usually meet the day before or on the day of the formal Board meeting, or whenever the need arises for transacting business. Further, the Agenda papers supported by comprehensive notes and relevant information, documents and presentations are circulated in advance to all the Board members which enable them to take informed decisions and discharge their functions effectively. The Agenda for the Board meetings covers the minimum information to be placed before the Board of Directors as per Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations to the extent these are relevant and applicable. A presentation is made by the Managing Director on operational performance of the Company at every Board meeting. The Board periodically reviews the items in the Agenda and particularly reviews and approves the Quarterly Financial Results, Annual Financial Statements including Cash flow Statement, Annual Operating Plans & Budgets, CAPEX etc. The recommendations of the Committees are also placed before the Board for necessary approvals. All Committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

The compliance reports pertaining to all the laws that are applicable to the Company, Minutes of Board Meeting of Unlisted Subsidiaries of the Company and Minutes of the Committee meetings are also placed before the Board of the Company periodically.

Further, the Directors who are unable to join any meeting in person, are also provided with video-conferencing/ audio visual facilities to facilitate them to participate in the Board/Committee meetings.

The important decisions taken at the Board and Committee meetings are communicated to the respective department heads for the implementation of the said decisions. An Action Taken Report is prepared and reviewed periodically by the Managing Director and the actions taken on the decisions made at the earlier Board meetings are also placed before the Board of the Company.

(f) Meeting of the Independent Directors

Pursuant to Schedule IV of the Act, the Independent Directors met on March 16, 2023 without the presence of Non-Independent Directors and Members of the Management. The meeting of the Independent Directors was chaired by Mr. Aman Mehta, Independent Director and Chairperson of the Audit Committee.

The Independent Directors, *inter alia*, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, Chairman of the Board taking into account views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board and has found the performance to be satisfactory.

(g) Board Familiarisation Program

Whenever any new Independent Director (ID) is appointed, he/she is made familiar to the business and its operations and also about their role and responsibilities through presentations/ programmes by Chairman, Managing Director and Senior Management. The Directors are usually encouraged to visit the plant and R&D Centres of the Company and interact with members of Senior Management as part of the programme. At the quarterly Board Meetings, a presentation is made to the Board giving an update on overview of the Company's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Company. Further, the IDs are also presented with copies of magazines "The Wockhardian" an in-house news magazine of Wockhardt Group which provides the insights on the activities carried on by the Company.

The details of such Familiarisation Programme for IDs are available on the Website of the Company www.wockhardt.com/wp-content/uploads/2023/04/familiarisation-programme.pdf.

BOARD COMMITTEES

In order to facilitate a more focussed discussion leading to better decision making and the smooth functioning of the Board. The composition of all the Board Committees are in accordance with the provisions of the Act and the SEBI Listing Regulations, wherever applicable. The details of composition of various Committees are also disclosed on the website of the Company www.wockhardt.com/investors/corporate-governance/committees-of-the-board/

Details of various mandated Committees of the Board and other related information are detailed as follows:

A) AUDIT COMMITTEE

(i) Terms of reference

Pursuant to the SEBI Listing Regulations and Section 177 of the Act, the Board has constituted the Audit Committee with the primary objective to monitor and provide an effective supervision of the Management's financial reporting process, ensure fairness of Related Party Transactions, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee also oversees the work carried out in the financial reporting process by the Management, the Internal Auditor, the Statutory Auditor and the Cost Auditor and validates the robustness and adequacy of the processes and safeguards employed by each of them. The Committee further reviews the processes and controls including compliance with laws, Company Policies such as the Wockhardt's Code of Conduct and Insider Trading Code, Whistle Blower Policies and any reported cases related thereto, if any. The key terms of reference of the Audit Committee, *inter alia*, includes:

Financial Reporting and other Financial Matters

- Oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing with the Management, Quarterly Unaudited Financial Statements and Annual Audited Financial Statements & Auditors' Report thereon before submission to the Board for approval. Review of Annual Financial Statements *inter alia* includes reviewing changes in Accounting Policies, if any, major accounting entries involving estimates, significant adjustments made in Financial Statements, qualifications in draft Audit report, if any;
- Reviewing Management Discussion and Analysis of financial condition and results of operations;

- Scrutiny of inter-corporate loans & investments;
- Monitoring the performance of the Unlisted Subsidiaries by reviewing their Financial Statements including the investments made by them; and
- Reviewing the utilisation of loans and/or advances from/investment by the Company in the Subsidiary exceeding ₹ 100 crore or 10% of the asset size of the Subsidiary, whichever is lower.

Audit & Auditors, Internal Controls

- Recommending the appointment, remuneration and terms of appointment/re-appointment, if required, replacement or removal of auditors, fixation of statutory audit fees and approval of payment for any other services rendered by the Statutory Auditors, as permitted;
- Recommending appointment and remuneration of Cost Auditors;
- Review and monitor the Auditor's independence and performance and effectiveness of audit process;
- Reviewing the adequacy of Internal Audit function and Internal Control Systems including Internal Financial Controls; and discussion with Internal Auditors any significant findings and follow-up thereon; and
- Reviewing significant audit findings from the Statutory and Internal Audits.

Other Matters

- Approval of all Related Party Transactions;
- Evaluation of Internal Financial Controls and Risk Management Systems;
- Appointment of Chief Financial Officer;
- Reviewing the functioning of Whistle Blower Mechanism and
- The Audit Committee has all the powers as specified in Regulation 18 of the SEBI Listing Regulations to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary and pursuant to Section 177 of the Act.

(ii) Meetings

During the year under review, the Audit Committee met 6 (Six) times on April 4, 2022, May 30, 2022, June 7, 2022, August 12, 2022, November 4, 2022 and February 13, 2023, which were attended by all members of the Audit Committee. The maximum gap between any two consecutive meetings was not more than one hundred and twenty days.

(iii) Composition

As on March 31, 2023, the Audit Committee comprises of 6 (Six) Independent Directors. All the members of the Audit Committee are financially literate and possess accounting or related financial management expertise by virtue of their experience and their professional background. The Company Secretary acts as the Secretary of the Audit Committee.

The details of composition of the Audit Committee and the particulars of attendance of its members at its meetings held during the previous financial year are given below:

Name of the Director/ Member	Designation	Category	Profession	No. of Meetings Attended
Mr. Aman Mehta	Chairperson	Independent Director	Business Professional	6
Mr. D. S. Brar	Member	Independent Director	Business Professional	6
Dr. Sanjaya Baru	Member	Independent Director	Economist	6
Mrs. Tasneem Mehta	Member	Independent Director	Business Professional	6
Mr. Vinesh Kumar Jairath	Member	Independent Director	Business Professional	6
Mr. Akhilesh Gupta	Member	Independent Director	Business Professional	6

The Statutory Auditors, Head of Internal Audit, Chief Financial Officer, Financial Controller and Executive Directors, upon invitation, attend the meetings.

Mr. Aman Mehta, Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on Friday, August 12, 2022.

B) NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference, Meetings & Composition

Pursuant to the SEBI Listing Regulations and Section 178 of the Act, the Board has constituted a Nomination and Remuneration Committee broadly to oversee the Company's nomination process including succession planning for the Senior Management and the Board and also to assist the Board in identifying, screening and reviewing individuals qualified to serve as Directors on the Board of the Company including to determine the role and capabilities required for Independent Directors consistent with the criteria as stated by the Company in its Policy.

(i) Terms of Reference

The terms of reference of Nomination and Remuneration Committee ('NRC'), inter alia, includes the following:

- Identification of persons who are qualified to become Directors and who may be appointed at Senior Management position in accordance with the criteria laid down, and recommend to the Board of Directors their appointment, remuneration and removal;
- Recommendation for fixation and revision of remuneration packages of Managing Director and Executive Directors to the Board for review and approval;
- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees;
- Formulation of criteria for evaluation of every Director and carry out performance evaluation of Directors;
- Devising a policy on diversity of Board of Directors; and
- Extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.

(ii) Meetings

During the year under review, 3 (Three) meetings of the NRC were held on April 4, 2022, May 30, 2022 and June 7, 2022, which were attended by all members of Committee.

(iii) Composition

The composition of the NRC is in accordance with Regulation 19 of the SEBI Listing Regulations read with Section 178 of the Act. As on March 31, 2023. The Company Secretary acts as the Secretary of the Committee.

The details of composition of the Nomination and Remuneration Committee and the particulars of attendance of its members at its meetings held during the previous financial year was as follows:

Name of the Director/ Member	Designation	Category	Profession	No. of Meetings Attended
Mr. D. S. Brar	Chairperson	Independent Director	Business Professional	3
Dr. Habil Khorakiwala	Member	Executive Chairman	Entrepreneur	3
Mr. Aman Mehta	Member	Independent Director	Business Professional	3
Dr. Sanjaya Baru	Member	Independent Director	Economist	3

b) Remuneration Policy

The Company's Remuneration Policy is structured in line with the trend in the Indian Pharmaceutical Industry. In pursuance of the Company's policy to consider human resources as its invaluable assets and in terms of the provisions of the Act and the SEBI Listing Regulations, Policy on Nomination and Remuneration of Directors, Key Managerial Personnel ('KMP') & Senior Management Personnel and Employees was formulated to pay equitable remuneration and to harmonize the aspirations of human resources consistent with the goals of the Company.

The Policy ensures that:

- the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to Executive Directors, KMP & Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to working of the Company and its goals.

The Remuneration Policy of the Company is divided into 3 parts:

- Matters to be dealt with, perused and recommended to the Board by the NRC.
- Policy for appointment and removal of Directors, KMP and Senior Management Personnel.
- Policy for remuneration of Directors, KMP, Senior Management Personnel & other Employees.

The Remuneration Policy is available on the website of the Company https://www.wockhardt.com/wp-content/uploads/2020/05/wl-remuneration-policy.pdf

Brief extract from Remuneration Policy is as under:

- The NRC shall identify and ascertain the integrity, qualification, expertise, experience and independence of the person for appointment as Director and recommend to the Board his/her appointment. Similarly, for KMP and Senior Management position, the NRC shall consider integrity, qualification, expertise and experience of the person for concerned position and would recommend to the Board about the appointment.
- The remuneration of Executive Directors comprises of Basic Salary, Perquisites and Allowances. The remuneration of Executive Directors should be recommended to the Board by NRC after considering the qualifications, experience, comparative remuneration packages of peers, Company's position etc. Pursuant to the provisions of the Act, the said remuneration has to be subsequently approved by the shareholders of the Company and approval of Central Government, if any, needs to be obtained.
- If in any Financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of the Act.
- The remuneration to Non-Executive Directors comprises of sitting fees and commission, if any. Apart from above, Non-Executive Directors shall also be entitled to reimbursement of expenses incurred by them in connection with attending the Board Meetings, Committee Meetings, General Meetings and any other matter in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses. The quantum of sitting fees to be paid to Non-Executive Directors and Meetings for which the same needs to be paid shall be determined by the Board. The quantum of sitting fees shall be within the limits prescribed under the provisions of the Act in force, and as may be in force from time to time. The payment of commission should be made in accordance with the provisions of the Act, as amended from time to time, and shall depend upon performance of the Company and profitability.
- The remuneration structure for KMP, Senior Management and other employees comprises of fixed pay (salary & perquisites) and variable pay (performance linked incentives).
- The Board ensures for orderly succession of Directors/Senior Management. The criterion for determining Qualifications, Positive Attributes and Independence of Director are as under:

Qualifications: A nomination process is in place that encourages diversity of thought, experience, knowledge, age and gender etc. It is also ensured that the Board has an appropriate blend of functional and industry expertise.

Positive Attributes: The Directors on the Board are expected to demonstrate high standards of ethical behaviour, interpersonal skills and soundness of judgment. Independent Directors are also mandated to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

Independence: A Director is considered as an 'Independent Director' if he/she meets with criteria for 'Independent Director' as laid down in Section 149(6) of the Act and rules laid thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

c) Performance Evaluation Criteria

The NRC has laid down the criteria for performance evaluation of Directors. In accordance with the provisions of the SEBI Listing Regulations and the Act, the performance evaluation of the individual Directors was done by the entire Board of Directors, except the respective Director who was being evaluated. The criteria for performance evaluation of Directors covers parameters such as decision taken in the interest of the organization objectively; assisting the Company in implementing the Corporate Governance; monitoring performance of organization based on agreed goals & financial performance; fulfilment of the independence criteria as prescribed and their independence from the management; and active participation in the affairs of the Company as Board/Committee Members.

The Committees of the Board are evaluated based on Composition, roles & responsibilities and effectiveness of the committee, and contributions to Board decisions. The Board as a whole is evaluated based on the Board structure and composition, meeting practices, functions of the Board, culture and effectiveness.

d) Remuneration of Directors

The remuneration of the Executive Directors is decided by the Board based on the recommendations of the NRC as per the Remuneration Policy of the Company, within the limits fixed and approved by the Shareholders at the General Meeting. The remuneration of the Non-Executive Directors comprises of sitting fees and commission, if any. The Non-Executive / Independent Directors are paid sitting fees of ₹ 100,000 for each meeting of the Board, Audit Committee, Stakeholders Relationship Committee, Risk Management Committee and Capital Raising Committee attended by them and reimbursement of expenses towards attending the meetings.

The remuneration paid/payable to each Director for the financial year ended March 31, 2023 is as under:

Name of Director	No. of Equity Shares held by Directors as on March 31, 2023	Remuneration for the Financial year ended March 31, 2023 (₹ in Crore)			
		Sitting fees	Salary	Perquisites	Total
Dr. Habil Khorakiwala&	597,286	N.A.	2.81	0.09	2.90
Mr. Aman Mehta	Nil	0.16	N.A.	N.A.	0.16
Mr. D. S. Brar	500	0.17	N.A.	N.A.	0.17
Dr. Sanjaya Baru	500	0.16	N.A.	N.A.	0.16
Mrs. Tasneem Mehta	Nil	0.16	N.A.	N.A.	0.16
Mr. Vinesh Kumar Jairath	Nil	0.16	N.A.	N.A.	0.16
Mr. Akhilesh Gupta	10,000	0.16	N.A.	N.A.	0.16
Mrs. Rima Marphatia>	Nil	0.03	N.A.	N.A.	0.03
Dr. Huzaifa Khorakiwala	280,800	N.A.	2.31	0.09	2.40
Dr. Murtaza Khorakiwala	294,060	N.A.	2.31	0.09	2.40
Ms. Zahabiya Khorakiwala	Nil	0.04	N.A.	N.A.	0.04

& *Dr. Habil Khorakiwala has been re-appointed for a term of 5 (five) years with effect from March 1, 2020 as an Executive Chairman of the Company at the Annual General Meeting held on August 14, 2019 by way of a special resolution.*

> *Ms. Rima Marphatia, ceased to be Nominee Director as Exim Bank had withdrawn her nomination on the Board of Directors of the Company w.e.f. August 3, 2022.*

Notes:

1. No commission has been paid to Executive and Non-Executive Directors (including Independent Directors) during the year ended March 31, 2023.
2. There is no provision for payment of severance fees and no stock options have been given, no performance linked incentives were paid to any Director. The tenure of office of the Managing Director/Executive Director is for 5 (five) years from their respective dates of appointments. The notice period of Executive Chairman, Managing Director & Executive Director is governed by service rules of the Company.
3. None of the Directors hold any stock options and convertible instruments in the Company.
4. The Non-Executive Directors on the Company's Board, apart from receiving sitting fees do not have any other pecuniary relationship or transactions vis-à-vis the Company. The details of remuneration paid to Directors have also been disclosed under the heading 'Related Party Disclosures' of Notes to Financial Statement.

The other details about Independent Directors, Remuneration Policy, Performance Evaluation Criteria and Remuneration of Directors have also been provided in the Board's Report forming part of this Annual Report.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee looks into the mechanism of redressal of grievance of the Shareholders/ other Security Holders and recommends measures for overall improvement in the quality of investor services. The Committee reviews the status of shareholders grievances on a quarterly basis.

(a) Terms of Reference, Meetings & Composition

Pursuant to the SEBI Listing Regulations and Section 178 of the Act, the role of the Stakeholders Relationship Committee broadly covers as under:

(i) Terms of reference

- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of status of requests i.e. processing of complaints within statutory timelines;
- Oversee of performance of Registrar and Transfer Agents;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence of the service standards adopted in respect of various services being rendered by the Registrar and Transfer Agents; and
- Review of the various measures and initiatives for reducing the quantum of Unclaimed Dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

(ii) Meetings

During the year under review, 4 (Four) meetings of the Stakeholders Relationship Committee were held on May 30, 2022, August 12, 2022, November 4, 2022 and February 13, 2023, which were attended by all members of Committee.

(iii) Composition

As on March 31, 2023, the Committee comprises of 6 (Six) Independent Directors which is in accordance with Regulation 20 of the SEBI Listing Regulations read with Section 178 of the Act. The Company Secretary acts as the Secretary of the Committee.

The details of composition of Stakeholders Relationship Committee and the attendance of members at Committee meetings are given below:

Name of the Director/ Member	Designation	Category	Profession	No. of Meetings Attended
Dr. Sanjaya Baru	Chairperson	Independent Director	Economist	6
Mr. Aman Mehta	Member	Independent Director	Business Professional	6
Mr. D. S. Brar	Member	Independent Director	Business Professional	6
Mrs. Tasneem Mehta	Member	Independent Director	Business Professional	6
Mr. Vinesh Kumar Jairath	Member	Independent Director	Business Professional	6
Mr. Akhilesh Gupta	Member	Independent Director	Business Professional	6

Dr. Sanjaya Baru, Chairman of the Stakeholders Relationship Committee, was present at the AGM of the Company held on August 12, 2022 to answer the queries of security holders.

(b) Compliance Officer

Mr. Debashis Dey is the Company Secretary and Compliance Officer of the Company.

(c) Shareholders Complaints and Redressal

The Registrar and Transfer Agents ('RTA') of the Company is Link Intime India Private Limited, which handles the investor grievances in coordination with the Compliance Officer of the Company.

The Company duly monitors the functioning of the RTA to ensure that the investor grievances are resolved expeditiously and to the satisfaction of the Shareholders.

During FY 2022-23, 8 complaints were received from the Company's Equity Shareholders. As on March 31, 2023, no complaints were outstanding.

In addition to the above, there were 556 letters/queries relating to change of address, issue of duplicate share certificates, Registration of ECS details and issue of fresh Demand drafts in lieu of unpaid dividend etc. all of which were replied/resolved as of March 31, 2023.

Other than above, all queries / requests / complaints have been resolved to the satisfaction of Shareholders within the reasonable time.

The Company maintains continuous interaction with Link Intime India Private Limited, RTA and takes proactive steps and action for resolving complaints / queries of the Shareholders and takes necessary initiatives in solving critical issues.

Notwithstanding the above, the Shareholders can lodge their complaints on the SEBI Complaints Redressal System (SCORES) platform also, which is an online redressal system for investor grievances. The complaints received through the said platform have also been resolved promptly by the RTA/Company.

D) RISK MANAGEMENT COMMITTEE

Terms of Reference, Meetings & Composition

The Risk Management Committee was constituted under Regulation 21 of the SEBI Listing Regulations at the Board meeting held on January 28, 2019. Risk Management Committee ('RMC') of the Board provides oversight and sets the tone for implementing the Enterprise Risk management ('ERM') framework across the organization. It reviews the status of key risks, progress of ERM implementation across locations and any exceptions as flagged to it, on quarterly basis.

(i) Terms of Reference

The terms of reference of Risk Management Committee, *inter alia*, includes to:

- Review the key risks, as identified, mitigation plan, categorisation of risk and provide direction relating to risks of the Company;
- Review and recommend risk appetite, risk tolerance limits and other risk parameters from time to time;
- Oversight over the effectiveness of the risk management system and processes;
- Review of the cyber security;
- Delegating powers to any member of the Committee or Official(s) of the Company;
- Such other terms of reference as may be mandated by the Board of Directors or the Regulators, from time to time; and
- To do all such acts, deeds as may be deemed necessary in connection with the Risk Management.

(ii) Meetings

During the Financial Year 2022-23, 2 (Two) meetings of RMC were held on May 4, 2022 and October 31, 2022, which were attended by all the members of the Committee, except Mr. D S Brar, who was granted leave of absence for the meeting held on October 31, 2022 in view of his other commitments. The gap between the two meetings of the Committee did not exceed 180 days.

(iii) Composition

As on March 31, 2023 the Committee comprises of 3 (Three) Directors which is in accordance with Regulation 21 of the SEBI Listing Regulations. The Company Secretary acts as the Secretary of the Committee.

The details of composition of Risk Management Committee and the attendance of members at Committee meetings are given below:

Name of the Director/ Member	Designation	Category	Profession	No. of Meetings Attended
Dr. Habil Khorakiwala	Chairperson	Executive Chairman	Entrepreneur	2
Dr. Murtaza Khorakiwala	Member	Managing Director	Entrepreneur	2
Mr. D. S. Brar	Member	Independent Director	Business Professional	1

E) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Terms of Reference, Meetings & Composition

The Board of Directors in the meeting held on November 4, 2022 has enhanced the terms of reference of the CSR Committee by incorporating 'Guidance and Supervision of Company's Environment, Social and Governance ('ESG') initiatives' within its scope.

Wockhardt's Environmental, Social, and Governance (ESG) strategies encompass its approach to integrating sustainable practices, social responsibility, and strong governance principles into its operations. Its ESG strategy involves considering the Company's impact on the environment, engaging with stakeholders, and ensuring ethical conduct and transparency. Wockhardt has developed specific goals and initiatives related to ESG factors, such as reducing carbon emissions, promoting diversity and inclusion, and enhancing Board Diversity. By prioritizing ESG factors, the Company aims to create long-term value, mitigate risks, attract responsible investors, and enhance their reputation. The Company believes that its ESG strategies not only align business objectives with societal and environmental goals but also contribute to the sustainability of the business itself, fostering resilience and growth in an increasingly ESG-focused business landscape.

(i) Terms of Reference

The terms of Corporate Social Responsibility Committee is in line with the provisions of Section 135 of the Act and *inter alia*, includes:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the areas of activities to be undertaken by the Company in compliance with the provisions of the Act, read with the Rules made thereunder;
- To recommend and monitor the amount of expenditure to be incurred on the CSR activities and provide guidance on various CSR initiatives proposed to be undertaken by the Company;
- Review and recommend the goals and strategy for discharging the Company's ESG responsibilities;
- Review and recommend adoption of various policies, Standard operating Procedures and Code of Conduct for implementation and adherence to the Company's ESG Strategy;
- Approve and Monitor the progress and implementation of various ESG initiatives/ projects of the Company against agreed actions, targets and timeline metrics;
- Constitute and receive periodic reports from the Company's ESG Working Group, which may be obligated with the day-to-day management and delivery of certain projects under the Company's ESG initiatives;
- Management of the Company's ESG related risks including monitoring external developments which may have a significant impact on the Company's approach to ESG and recommend appropriate remedial/ mitigation measures;
- Monitor the adherence to all ESG related disclosures and regulatory reporting requirements by the Company; and
- Monitor stakeholder feedback on ESG matters, and recommend appropriate steps as may be deemed fit by the Committee.

(ii) Meetings

During the Financial year 2022-23, 2 (Two) meetings of CSR Committee were held on May 30, 2022 and February 13, 2023 which were attended by all the members of the Committee.

(iii) Composition

As on March 31, 2023, the Committee comprises of 4 (Four) Directors which is in accordance with Section 135 of the Act. The Company Secretary acts as the Secretary of the Committee.

The details of composition of Corporate Social & Responsibility Committee and the attendance of members at Committee meetings are given below:

Name of the Director/ Member	Designation	Category	Profession	No. of Meetings Attended
Mr. D. S. Brar	Chairperson	Independent Director	Business Professional	2
Dr. Habil Khorakiwala	Member	Executive Chairman	Entrepreneur	2
Dr. Huzaifa Khorakiwala	Member	Executive Director	Entrepreneur	2
Mr. Aman Mehta	Member	Independent Director	Business Professional	2

The Board of Directors in its meeting held on February 13, 2023 appointed Mr. D. S. Brar as the Chairman of the Committee in place of Dr. Habil Khorakiwala.

The Report on CSR is provided separately forms part of this Annual Report.

(IV) Management Committee on Environment Social and Governance (ESG)

In order to monitor the implementation of various ESG practices and to achieve the Company's ESG goals, the Board, on the recommendation of the CSR Committee has constituted a Management Committee on ESG.

Dr. Huzaifa Khorakiwala, Executive Director, chairs the Committee, which constitutes of the following members:

Name & Designation of the Member	Type of Committee Membership
Dr. Huzaifa Khorakiwala, Executive Director	Chairperson
Mr. Debashis Dey, Company Secretary	Member
Mr. Prasanna Bharatan, Head – Assurance Risk and ESG	Member
Dr. Sanjeev Kumar Sharma, President manufacturing, Quality and R&D	Member
Mr. Neeraj Agarwal, CHRO	Member
Mr. Jagmohan Rishi, Head Training & Development	Member
Mr. Abhijit Deb, President IT	Member
Mr. Sailesh Tekriwal, Head – Supply Chain & Distribution	Member
Mr. Viren Sharma, Advisor – ESG	Member

The Committee meets at least once every month to identify and set goals for its various ESG initiatives and to evaluate the progress made therein. Thus the Committee plays a crucial role in driving sustainable practices within our Organization. Comprising cross-functional leaders, the committee works to ensure our business operations align with Ethical, Environmental, and Social responsibilities. They evaluate and implement strategies to reduce our carbon footprint, promote diversity and inclusion, and enhance corporate governance.

By prioritizing ESG factors, the Company aim to create a positive impact on society, mitigate risks, and foster long-term value for all stakeholders. The Committee's dedication to sustainable practices reflects our commitment to being a responsible corporate citizen. Together, we strive for a more sustainable and equitable future.

The Management Committee, at the aegis of the CSR Committee and the Board, has identified the following Pillars for implementation ESG objectives of the Company:

ENVIRONMENT

1. **Power**
   - Increase green energy
   - Reduce energy consumption
2. **Carbon**
   - Measure & reduce carbon emissions
   - Get carbon credits
3. **Water**
   - Rain water harvesting
   - Recycle
4. **Waste**
   - Manufacturing sites, reduce & recycle
   - Corporate, reduce, & recycle

SOCIAL

1. **Human Capital & Human Rights**
   - Employee relations, Diversity, Equity, Inclusion, and Working Conditions (Health & Safety)
   - Support of Human Rights & Labour Standards

2 **Products Liability**
   - Product safety & quality
   - Privacy & data security

3 **Customer & Stakeholders Liability**
   - Material sourcing
   - Supply chain transparency

4 **Local Communities and CSR**
   - HEALTH : Mobile 1000, Gur+ Dialysis centres
   - EDUCATION : E-Learning, Wockhardt Foundation Junior College

GOVERNANCE

1. **Board Composition and Independence**
    - Board diversity
    - Independent, Executive, & Non-executive
2. **Transparency and Accountability**
    - Clear and accessible communication channels
    - Regular reporting and public disclosures
3. **Stakeholder Rights**
    - Stakeholder engagement & participation
    - Establish independent & transparent sustainability
4. **Code of Conduct and Ethics**
    - Code of conduct for employees
    - Whistle blowing policy

F) OTHER COMMITTEES OF THE BOARD

Apart from the Committees mandated under the law, the Board has also constituted certain committees voluntarily and has delegated some specific powers to such Committees. Each Committee has its distinct role, scope and powers which enables more focussed deliberations and helps better decision making by the Company. The Minutes of these Committee Meetings are also periodically placed before the Board for noting.

The Board has constituted following four Committees:

a) Finance & Management Committee (formerly Credit Facilities Committee)

b) Share Allotment Committee

c) ESOS Compensation Committee

d) Capital Raising Committee

a) Finance & Management Committee (formerly Credit Facilities Committee)

(i) Terms of Reference

The Board of Directors in the meeting held on November 4, 2022 had changed the name of the Committee from "Credit Facilities Committee" to "Finance & Management Committee" and enhanced the Terms of Reference of the Committee.

The terms of reference, *inter alia*, includes:

- Exercise all such powers to borrow money within the limits approved by the Board;
- Avail, renew, enhance, restructure and reschedule all fund based and non-fund based credit facilities including term loans and working capital facilities availed from Banks / Financial Institutions / Bodies Corporate;
- To do all such acts, deeds, actions in relation to seeking in-principle approval of the Stock Exchanges, opening and closing the period of subscription of the Issue, determine the issue price in respect of the Securities and Allot the Securities and to amend, vary or modify any of the above as may be desirable.
- Delegate authorities from time to time to the executives/authorized persons to implement the decisions of the Committee; and
- To appoint authorised signatories, approve issuance of power of attorneys in favour of various persons to appear, represent and execute documents, declarations, representations, agreements, applications, undertakings etc. on behalf of the Company in connection with activities which may be undertaken by the Company in its normal course of business and in compliance with the applicable laws and regulations.

(ii) Composition

As on March 31, 2023, the Committee comprises of 3 (Three) Directors. The Company Secretary acts as the Secretary of the Committee.

The details of composition of Finance & Management Committee (formerly Credit Facilities Committee) and the attendance of members at Committee meetings are given below:

Name of the Director/Member	Designation	Category	Profession	No. of Meetings Attended
Dr. Habil Khorakiwala	Chairperson	Executive Chairman	Entrepreneur	13
Dr. Huzaifa Khorakiwala	Member	Executive Director	Entrepreneur	13
Dr. Murtaza Khorakiwala	Member	Managing Director	Entrepreneur	13

(iii) Meetings

During the year under review, 13 (Thirteen) meetings of Finance & Management Committee (formerly Credit Facilities Committee) were held on April 18, 2022, April 29, 2022, May 26, 2022, July 1, 2022, August 12, 2022, August 23, 2022, September 21, 2022, October 3, 2022, November 4, 2022, December 26, 2022, January 31, 2023, February 15, 2023, March 3, 2023 and March 10, 2023 which were attended by all the Members of the Committee.

b) Share Allotment Committee

(i) Terms of Reference

The terms of reference, *inter alia*, includes:

- Allotment / Redemption of Preference Shares / Bonds / Debentures and;
- Allotment of Equity Shares consequent to Exercise of Stock options.

(ii) Composition

As on March 31, 2023, the Committee comprises of 3 (Three) Directors. The Company Secretary acts as the Secretary of the Committee.

The details of composition of Share Allotment Committee and the attendance of members at Committee meetings are given below:

Name of the Director/Member	Designation	Category	Profession	No. of Meeting Attended
Dr. Habil Khorakiwala	Chairperson	Executive Chairman	Entrepreneur	1
Dr. Huzaifa Khorakiwala	Member	Executive Director	Entrepreneur	1
Dr. Murtaza Khorakiwala	Member	Managing Director	Entrepreneur	1

(iii) Meetings

During the year under review, 1 (One) meeting of Share Allotment Committee was held on February 6, 2023 and was attended by all the members of the Committee.

c) ESOS Compensation Committee

As per Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the ESOS Compensation Committee was constituted by the Board.

(i) Terms of Reference

The key role of ESOS Compensation Committee consists of administration and monitoring the implementation of Wockhardt Employees' Stock Option Scheme – 2011 ('the Scheme'). Further, the Committee is also vested with such functions and powers, enumerated as under:

- Determination of the employees eligible for participation in the Scheme;
- Number of options that may be granted to the identified employees;
- Determination of vesting period, exercise period of the options issued under the Scheme; and
- Other incidental matters pertaining to administration of the Scheme.

(ii) Composition

As on 31st March, 2023, the Committee comprises of 3 (Three) Directors. The Company Secretary acts as the Secretary of the Committee.

The details of composition of ESOS Compensation Committee and the attendance of members at Committee meeting are given below:

Name of the Director/Member	Designation	Category	Profession	No. of Meeting Attended
Dr. Sanjaya Baru	Chairperson	Independent	Economist	1
Dr. Habil Khorakiwala	Member	Executive Chairman	Entrepreneur	1
Mrs. Tasneem Mehta	Member	Independent	Business Professional	1

(iii) **Meetings**

During the year under review, 1 (One) meeting of ESOS Compensation Committee was held on May 30, 2022 which was attended by all the members of the Committee.

d) **Capital Raising Committee**

(i) **Terms of Reference**

- To analyse various options for raising of capital;
- To crystallize pricing and size after negotiations by the management with the potential Investment Bankers / Investors etc.;
- To appoint the issue management and issue related agencies;
- To review / finalise / approve issue related documents;
- To finalise the mode of issue of raising funds (i.e. Equity, Preference, Debentures, Bonds) including the terms of issue thereof;
- To extend / roll-over / alter the terms & conditions of Preference Shares / Debentures / Bonds including the date of payment of interest and / or redemption amount thereof;
- Incurring necessary expenditure;
- Delegating all its powers to any member of the Committee or Official(s) of the Company;
- To do all such acts, deeds as may be deemed to be necessary in connection with the after exercise instead of mention; and
- To do all such acts, deeds, actions in relation to seeking in-principle approval of the Stock Exchanges, opening and closing the period of subscription of the Issue, determine the issue price in respect of the Securities and allot the Securities and to amend, vary or modify any of the above as may be desirable.

(ii) **Composition**

As on March 31, 2023, the Committee comprises of 4 (Four) Directors. The Company Secretary acts as the Secretary of the Committee.

The details of composition of Capital Raising Committee and the attendance of members at Committee meeting are given below:

Name of the Director/Member	Designation	Category	Profession	No. of Meeting Attended
Dr. Habil Khorakiwala	Chairperson	Executive Chairman	Entrepreneur	NA
Mrs. Tasneem Mehta	Member	Independent	Business Professional	NA
Mr. Vinesh Kumar Jairath	Member	Independent	Business Professional	NA
Dr. Murtaza Khorakiwala	Member	Managing Director	Entrepreneur	NA

(iii) **Meetings**

During the year under review, no meeting of the Capital Raising Committee was held.

1. GENERAL BODY MEETINGS

a) **Details of last three Annual General Meetings:**

The day, date, time and location of the AGMs held during the last three years, and the special resolution(s) passed there at by e-voting are as follows:

Financial Year ended	Day and Date	Time	Location	Special Resolution(s) passed
March 31, 2022	Friday, August 12, 2022	11.00 a.m.	Through Video Conferencing (VC)/ other Audio Visual means (OAVM)	1. Approval for payment of remuneration to Dr. Habil Khorakiwala, Executive Chairman for the period of last 2 (two) years of his current tenure i.e. commencing from March 1, 2023 till February 28, 2025. 2. Approval for raising of additional capital by way of one or more public or private offerings including through Qualified Institutions Placement ('QIP') to eligible investors through an issuance of Equity Shares or other eligible securities convertible into Equity Shares for an amount not exceeding ₹ 1,600 crore.

Financial Year ended	Day and Date	Time	Location	Special Resolution(s) passed
March 31, 2021	Monday, August 2, 2021	11.00 a.m.	Through Video Conferencing (VC)/ other Audio Visual means (OAVM)	1. Re-appointment of Mr. Vinesh Kumar Jairath as an Independent Director of the Company. 2. Approval for continuation of Mr. Aman Mehta as an Independent Director upon his attainment of age of 75 years till the completion of his term. 3. Approval for payment of remuneration to Dr. Huzaifa Khorakiwala, Executive Director of ₹ 2.40 crore for a period of 2 (two) years commencing from March 31, 2022 till the expiry of his term of appointment i.e. March 30, 2024. 4. Approval for payment of remuneration to Dr. Murtaza Khorakiwala, Managing Director of ₹ 2.40 crore for a period of 2 (two) years commencing from March 31, 2022 till the expiry of his term of appointment i.e March 31, 2024. 5. Approval for raising of additional capital by way of one or more public or private offerings including through a Qualified Institutions Placement ('QIP') to eligible investors through an issuance of Equity Shares or other eligible securities for an amount not exceeding ₹ 1,500 crore.
March 31, 2020	Monday, August 3, 2020	12.00 noon	Through Video Conferencing (VC)/ other Audio Visual means(OAVM)	Approval for raising of additional capital by way of one or more public or private offerings including through a Qualified Institutions Placement ('QIP') to eligible investors through an issuance of Equity Shares or other eligible securities for an amount not exceeding ₹1,500 crore.

b) Extraordinary General Meeting:

No Extraordinary General Meeting of the members was held during FY 2022-23.

c) Postal Ballots:

During the year under review, no resolution was passed via Postal Ballot.

2. MEANS OF COMMUNICATION

- **Website:** The Company's website www.wockhardt.com contains the information pertaining to the Company that it is in compliance with the SEBI Listing Regulations. Further, FAQs and Forms, Live Share price, Dividend & Share split History have been made available to the investors for easy access to the details. A separate section for Investors is available wherein the updated information *inter-alia*, pertaining to quarterly, half-yearly and annual financial results, official press releases, investor communications, shareholding pattern is available in a user friendly and downloadable form.
- **Financial Results:** The quarterly, half yearly and annual financial results of the Company are submitted to the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') immediately after approval of the Board. The results of the Company are published in all editions of one National English daily newspaper [such as Business Standard (English)] and one Marathi newspaper [such as Navshakti (Vernacular)] within 48 hours of approval thereof and are also posted on Company's website www.wockhardt.com
- **Annual Report:** Annual Report containing, *inter alia*, the Audited Standalone and Consolidated Financial Statements, Board's Report, Independent Auditors' Report, Corporate Governance Report, Business Responsibility and Sustainability Report (BRSR), Management Discussion & Analysis (MD&A) is circulated to the members and others entitled thereto. The same is also available on the website of the Company www.wockhardt.com
- **Chairman's Communication/Letter:** The Chairman's speech is promptly placed on the website of the Company. Further, Chairman's letter is sent to Shareholders every quarter containing Chairman's communique on the quarterly results.
- **Exclusively Designated Email ID:** The Company has exclusively designated the Email Id: investorrelations@wockhardt.com for Shareholders/Investors services.
- **Dissemination through NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre):** NEAPS and BSE Listing Centre are web-based applications designed by NSE and BSE respectively. The quarterly results, quarterly/periodic compliances, corporate actions, and all other corporate communications to the stock exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE, for further dissemination through the Stock Exchanges' website.

  The Company also mandatorily uploads corporate governance, shareholding pattern, financial results, voting results, reconciliation of share capital audit report etc. and disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, on NEAPS and BSE Listing Centre in XBRL mode.

- **SEBI Complaints Redressal System (SCORES):** SCORES is an online facility, where investors can submit their complaints for redressal by the RTA/Company. The investor complaints are processed in a centralized web-based complaints address system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Report (ATRs) by Companies and online viewing by investors of actions taken on the complaint and its current status.

3. GENERAL SHAREHOLDER INFORMATION

24th Annual General Meeting (24th AGM)

The 24th AGM of the Company will be held on Monday, August 14, 2023 at 03.30 p.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") pursuant to the applicable MCA and SEBI Circulars issued in this regard. The AGM shall be deemed to be held from the Registered Office of the Company at D-4, MIDC, Chikalthana, Maharashtra – 431006. Further details pertaining to the AGM is given in the Notice of the 24th AGM.

Financial Year and Tentative Financial Calendar

Financial Year – April 1, 2023 to March 31, 2024

Tentative Schedule for declaration of financial results during the financial year 2023-24 and holding of AGM is as under:

Results of Quarter ending June 30, 2023	On or before August 14, 2023
Results of Quarter and Half year ending September 30, 2023	On or before November 14, 2023
Results of Quarter and Nine months ending December 31, 2023	On or before February 14, 2024
Results for Financial Year ending March 31, 2024	On or before May 30, 2024
AGM for the Year ending March 31, 2024	On or before September 30, 2024

Listing on Stock Exchanges

Equity Shares	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
	National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai–400 051

The Company has made the payment of the Listing fees as applicable for both the stock exchanges.

Dividend Payment Date

The Board has not recommended any dividend on the Equity Shares of the Company for the year ended March 31, 2023.

Unclaimed Dividends

The Company is required to transfer dividend which remained unpaid/unclaimed for a period of seven years to the Investor Education and Protection Fund ('IEPF') established by the Central Government. Dividend declared up to the year ended March 31, 2015 were transferred to IEPF Account. As on March 31, 2023, no dividend was due to be transferred to IEPF account.

The details of outstanding Unpaid Dividend and their due dates for transfer to the IEPF is given below:

Financial Year	Type of Dividend	Date of Declaration	Due date of transfer to IEPF
2016-17	Interim	November 10, 2016	December 16, 2023

Members who have not encashed dividend, as detailed above, are requested to have them revalidated and/or encash to avoid transfer to IEPF. Members may note that the Company, from time to time, have intimated the Shareholders to encash their Unclaimed Dividend at the earliest.

Stock Codes

(a) Stock Code

BSE Limited (BSE) : 532300

National Stock Exchange of India Limited (NSE) : WOCKPHARMA

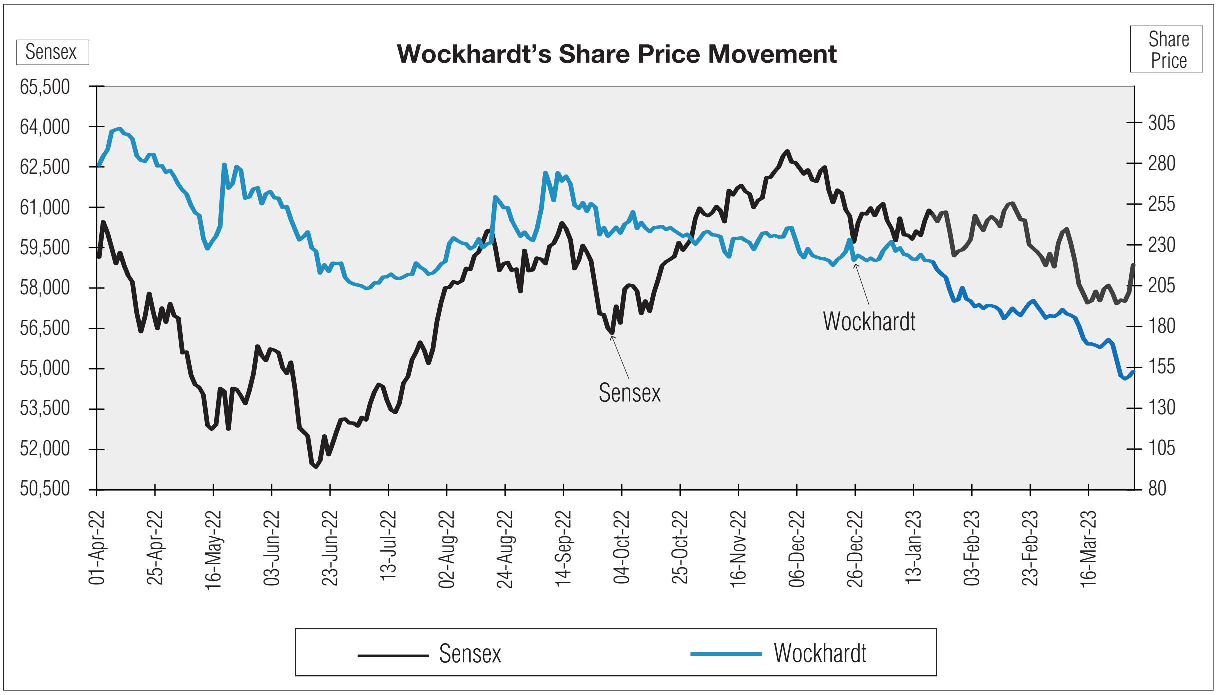
(b) Corporate Identity Number (CIN) : L24230MH1999PLC120720

MARKET PRICE DATA: High/Low and number of shares traded during each month in the financial year 2022-23 on NSE and BSE.

Month	NSE			BSE		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
April - 2022	315.90	265.65	14,910,403	315.50	265.00	1,456,741
May - 2022	293.80	228.30	17,708,259	293.75	228.80	1,267,516
June - 2022	269.50	207.00	10,612,478	269.20	207.10	1,133,764
July - 2022	225.95	201.50	11,913,680	225.75	201.55	772,253
August - 2022	269.90	219.95	24,015,138	269.70	220.10	1,437,716
September - 2022	282.55	234.05	36,854,063	282.70	231.05	2,733,638
October - 2022	258.00	232.55	8,315,340	257.80	232.75	774,783
November - 2022	247.90	222.75	10,226,811	247.80	222.90	799,143
December - 2022	248.80	218.95	31,359,010	248.60	219.05	5,329,005
January - 2023	237.65	195.00	15,641,313	237.65	195.05	1,399,550
February - 2023	208.30	184.30	12,488,249	208.20	184.50	1,176,953
March - 2023	195.60	145.15	18,458,851	195.50	145.35	2,801,585

Source: Websites of NSE and BSE

STOCK PRICE PERFORMANCE INDEX IN COMPARISON WITH BSE SENSEX FOR THE FINANCIAL YEAR 2022-23



Source : Website of BSE and NSE

SUSPENSION FROM TRADING:

No securities of the Company have been suspended from trading on any of the stock exchanges where they are listed.

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited,
C-101, 247 Embassy Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai 400 083, India
Telephone: +91 22 4918 6270
Fax: +91 22 4918 6060
Email: wockhardt@linkintime.co.in
Website: www.linkintime.co.in

SHARE TRANSFER SYSTEM

SEBI has mandated that securities of Listed Companies can be transferred only in Dematerialized form from April 1, 2019, barring certain instances. In view of the above; and to avail various benefits of Dematerialization / for ease of convenience, members are advised to Dematerialize shares held by them in physical form.

Requests for dematerialization/ re-materialization of shares are processed and the confirmation is given to depositories within 15 days/30 days, from the date of receipt, as may be applicable, if the documents are in order.

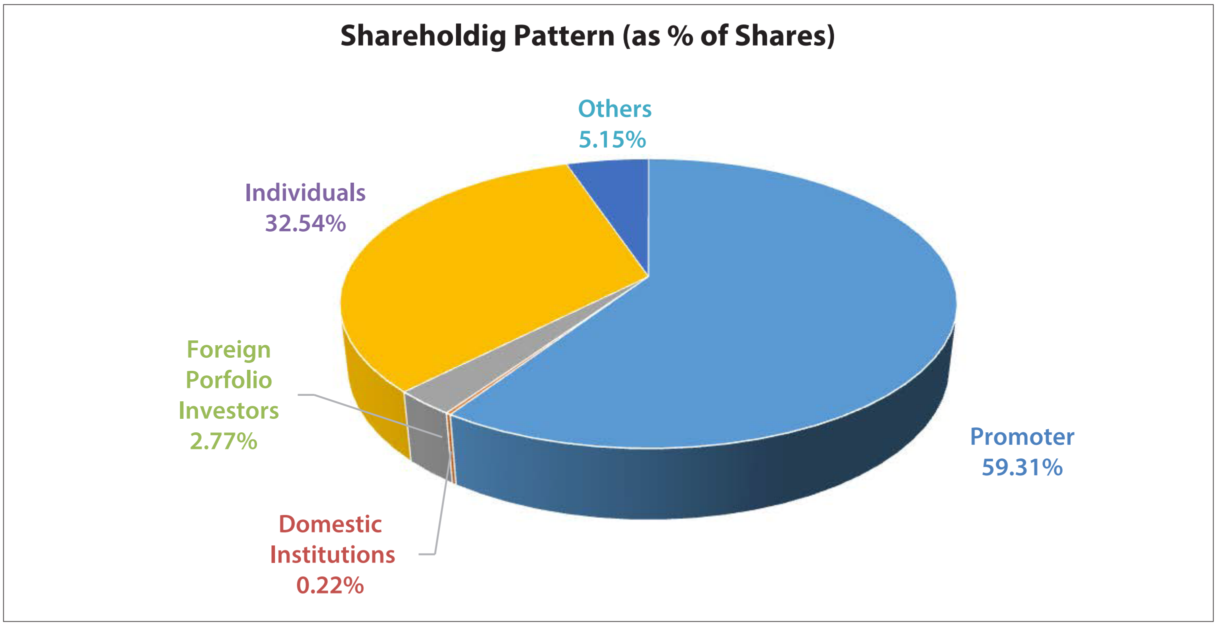
The Company has complied with Regulation 40 read with Schedule VII and Regulation 7 of the SEBI Listing Regulations with respect to formalities of transfer or transmission of shares.

Pursuant to the recent SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI had clarified that the folios wherein PAN, KYC details and Nomination by holders of physical securities are not available on or after October 01, 2023, such shall be frozen by the RTA. Such frozen folios shall be referred to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025. In view of the above, the Shareholders holding shares of the Company in physical form whose PAN / KYC details are not yet updated are requested to update the same with the Company / RTA at the earliest.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2023

No. of Equity Shares	No. of Shareholders	% of total Shareholders	Amount in ₹	% of total Amount
1 – 500	172564	91.6480	77,111,610	10.70
501 – 1000	9159	4.8643	33,852,140	4.70
1001 – 2000	3658	1.9427	26,759,410	3.71
2001 – 3000	1122	0.5959	14,187,780	1.97
3001 – 4000	507	0.2693	9,044,740	1.26
4001 – 5000	318	0.1689	7,362,555	1.02
5001 – 10000	569	0.3022	20,426,685	2.84
Above 10000	393	0.2087	531,696,695	73.80
TOTAL	**188290**	**100.00**	**720,441,615**	**100.00**

SHAREHOLDING PATTERN AS ON MARCH 31, 2023



Notes:

1. *During the year, paid up Equity Share Capital of the Company has been increased by ₹ 140,850 due to allotment of 28,170 equity shares of ₹5 each pursuant to exercise of Stock Options.*

DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's Equity Shares are compulsorily traded in electronic form and are available for trading with both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2023, 143,612,035 Equity Shares representing 99.67% of the Company's total paid-up Equity Share Capital were held in Dematerialized mode.

Out of Public Shareholding of 5,86,32,247 Equity Shares, 5,81,55,959 Equity Shares representing 99.19% of the Public Shareholding is held in Dematerialized mode.

The International Securities Identification Number (ISIN) assigned to Company's Equity Shares is INE049B01025.

GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

As on March 31, 2023, the Company has no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Since the Company is in Pharmaceutical Industry, the Company does not face any significant Commodity price fluctuation risks. The foreign exchange exposures are adequately hedged by the Company.

PLANT LOCATIONS

(a) Wockhardt Limited

B-15/2, MIDC Waluj, Maharashtra-431136, India Tel: +91 240 6636400	87-A, Silver Industrial Estate Bhimpore, Nani Daman, Daman-396210, India Tel: +91 260 7126500	Plot No. E-1/1, E-1/2, 6A, Five Star Industrial Estate, MIDC, Shendra, Aurangabad– 431154, India Tel: +91 240 6662222
H-14/2, MIDC Area Waluj, Maharashtra-431136, India Tel: +91 240 6664444	106-4/5/7, Daman Industrial Estate, Kadaiya, Nani Daman, Daman-396210, India Tel: + 91 260 6633200	Village Kote Baggu, Ludhiana, Ferozpur Road, Jagraon-142026, India Distt.-Ludhiana (Punjab) Tel: +91 1624 227080
L-1, MIDC, Chikalthana, Maharashtra-431210, India Tel: +91 240 6637444	138, GIDC Estate, Ankleshwar-393002 Gujarat, India Tel: +91 2646 661400	

(b) Plant location of Subsidiaries of Wockhardt Limited

CP Pharmaceuticals Limited Ash Road, North Wrexham Industrial Estate, Wrexham, LL13 9UF Wales, UK Tel: +44 1978 661261	Pinewood Healthcare Ballymacarbry, Clonmel Co. Tipperary, Ireland Tel: +353 52 6186000
Pinewood Laboratories Limited, Unit 1, M50 Business Park, Ballymount, Dublin 12.	Wockhardt Bio AG Plot No. S60302, Street S1500 JAFZA, South Dubai, U.A.E
Morton Grove Pharmaceuticals Inc 6451, Main Street, Morton Grove Illinois 60053-2633, USA Tel: +1 847 9675600	

ADDRESS FOR CORRESPONDENCE

Registrar and Transfer Agent	Secretarial Department
Link Intime India Private Limited C-101, 247, Embassy Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083, Tel No.: +91 22 4918 6270 Fax No.: +91 22 4918 6060 Email: wockhardt@linkintime.co.in	Wockhardt Limited, Wockhardt Towers, Bandra - Kurla Complex, Bandra (East), Mumbai 400 051. Tel No.: 022 2653 4444; Fax No.: 022 2652 7860; Email: investorrelations@wockhardt.com

Further, if the shareholders are not satisfied with the response, they can also lodge their complaints online on SCORES. All the complaints received through SCORES during the year under review were responded timely.

Shareholders holding shares in dematerialized form are requested to intimate their details or any change in details relating to their Bank details, ECS mandates, Nominations, Power of Attorney, Address, etc. to their respective Depository Participant.

LIST OF ALL CREDIT RATINGS OBTAINED ALONG WITH THE REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR FOR ALL DEBT INSTRUMENTS OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL INVOLVING MOBILISATION OF FUNDS WHETHER IN INDIA OR ABROAD

(a) CARE Ratings Limited

Sr. No.	Name of the Instrument/Bank Facilities	Last Rating assigned before beginning of FY 2022-23	Revisions in Ratings assigned in FY 2022-23	Current Rating
1.	Fund-based	CARE BBB-; Stable [Triple B Minus; Outlook: Stable]	Unchanged	CARE BBB-; Stable [Triple B Minus; Outlook: Stable]
2.	Non-fund-based	CARE A3 [A Three]	Unchanged	CARE A3 [A Three]
3.	Debentures – Non-Convertible Debentures	CARE BBB-; Stable [Triple B Minus; Outlook: Stable]	Unchanged	CARE BBB-; Stable [Triple B Minus; Outlook: Stable]

(b) India Ratings and Research Private Limited

Sr. No.	Name of the Instrument/Bank Facilities	Last Rating assigned before beginning of FY 2022-23	Revisions in Ratings assigned in FY 2022-23	Current Rating
1.	Fund-based	IND BBB-/ Stable	IND BB+/Stable (22.12.2022)	IND BB+/Stable
2.	Non-fund-based	IND A3	IND A4+(22.12.2022)	IND A4+

EQUITY SHARE CAPITAL HISTORY OF THE COMPANY SINCE INCORPORATION UP TO MARCH 31, 2023

Date of Allotment	No. of Equity Shares	Cumulative No. of Equity Shares	Face value (in ₹)	Consideration	Nature of Allotment	Cumulative Share Capital (in ₹)
11.02.2000	35,061,652	35,061,652	10	Allotted to the shareholders of Wockhardt Life Sciences Ltd in the ratio of 1:1 i.e. one Equity Share of the Company for every one Equity Share of Wockhardt Life Sciences Ltd held by them.	Pursuant to scheme of demerger of Wockhardt Life Sciences Limited and Acquisition of Pharmaceuticals Division by the Company.	350,616,520
22.04.2000	1,200,000	36,261,652	10	Allotted to the shareholders of Wockhardt Veterinary Limited in the ratio of 1:4 i.e. one Equity Share of the Company for every four Equity Shares of Wockhardt Veterinary Limited.	Pursuant to Amalgamation of Wockhardt Veterinary Limited with the Company.	362,616,520
14.08.2002	3,600	36,265,252	10	Cash	Allotment of shares pursuant to exercise of Stock Options.	362,652,520
07.01.2003	2,700	36,267,952	10	Cash		362,679,520
16.09.2003	16,700	36,284,652	10	Cash		362,846,520
14.10.2003	5,550	36,290,202	10	Cash		362,902,020
25.11.2003	1,700	36,291,902	10	Cash		362,919,020
31.12.2003	3,950	36,295,852	10	Cash		362,958,520
15.01.2004	15,350	36,311,202	10	Cash		363,112,020
23.02.2004	9,700	36,320,902	10	Cash		363,209,020
05.04.2004	9,450	36,330,352	10	Cash		363,303,520
24.04.2004	1,650	36,332,002	10	Cash		363,320,020

Date of Allotment	No. of Equity Shares	Cumulative No. of Equity Shares	Face value (in ₹)	Consideration	Nature of Allotment	Cumulative Share Capital (in ₹)
07.05.2004	–	72,664,004	5	Sub-division of 36,332,002 shares of Face Value ₹ 10/- each to Face Value ₹ 5/- each.	Sub-division of shares of Face Value ₹ 10/- each to Face Value ₹ 5/- each.	363,320,020
08.05.2004	36,332,002	108,996,006	5	Bonus shares	Allotment of bonus shares in the ratio of 1:2.	544,980,030
21.01.2005	70,350	109,066,356	5	Cash	Allotment of shares pursuant to Exercise of Stock Options.	545,331,780
21.02.2005	29,550	109,095,906	5	Cash		545,479,530
14.03.2005	25,350	109,121,256	5	Cash		545,606,280
06.04.2005	17,250	109,138,506	5	Cash		545,692,530
09.06.2005	4,149	109,142,655	5	Cash		545,713,275
12.09.2005	13,299	109,155,954	5	Cash		545,779,770
13.10.2005	141,397	109,297,351	5	Cash	FCCB Conversion	546,486,755
09.11.2005	2,250	109,299,601	5	Cash	Allotment of shares pursuant to Exercise of Stock Options.	546,498,005
11.01.2006	81,000	109,380,601	5	Cash		546,903,005
28.02.2006	39,450	109,420,051	5	Cash		547,100,255
28.04.2006	5,850	109,425,901	5	Cash		547,129,505
16.08.2006	10,002	109,435,903	5	Cash		547,179,515
19.12.2012	122,200	109,558,103	5	Cash		547,790,515
21.01.2013	25,300	109,583,403	5	Cash		547,917,015
29.08.2013	167,750	109,751,153	5	Cash		548,755,765
07.04.2014	8,000	109,759,153	5	Cash		548,795,765
29.05.2014	248,750	110,007,903	5	Cash		550,039,515
20.10.2014	32,500	110,040,403	5	Cash		550,202,015
20.01.2015	25,750	110,066,153	5	Cash		550,330,765
25.02.2015	6,750	110,072,903	5	Cash		550,364,515
24.06.2015	132,500	110,205,403	5	Cash		551,027,015
08.07.2015	214,000	110,419,403	5	Cash		552,097,015
27.07.2015	75,000	110,494,403	5	Cash		552,472,015
12.10.2015	6,000	110,500,403	5	Cash		552,502,015
16.12.2015	8,500	110,508,903	5	Cash		552,544,515
28.07.2016	39,125	110,548,028	5	Cash		552,740,140
08.06.2017	15,200	110,563,228	5	Cash		552,816,140
28.11.2017	33,600	110,596,828	5	Cash		552,984,140
16.02.2018	33,625	110,630,453	5	Cash		553,152,265
15.06.2018	8,200	110,638,653	5	Cash		553,193,265
17.07.2018	12,800	110,651,453	5	Cash		553,257,265
01.10.2018	34,750	110,686,203	5	Cash		553,431,015
04.06.2019	18,800	110,705,003	5	Cash		553,525,015
10.09.2019	30,000	110,735,003	5	Cash		553,675,015
23.09.2020	21,950	110,756,953	5	Cash		553,784,765
16.12.2020	20,000	110,776,953	5	Cash		553,884,765
09.03.2021	4,200	110,781,153	5	Cash		553,905,765
17.08.2021	23,600	110,804,753	5	Cash		554,023,765
18.10.2021	10,750	110,815,503	5	Cash		554,077,515
28.03.2022	33,244,650	144,060,153	5	Cash	Allotment of shares pursuant to issue of Rights Shares.	720,300,765
06.02.2023	28,170	144,088,323	5	Cash	Allotment of shares pursuant to Exercise of Stock Options.	720,441,615

4. DISCLOSURES AND AFFIRMATIONS

a. Related Party Transactions

All the transactions entered into by the Company with related parties during the year under review were in the ordinary course of business and on an arm's length basis as defined in the Act. All the Related Party Transactions during the year under review were approved by the Audit Committee and the Board. During the previous financial year, there were no Related Party Transactions that may have potential conflict with the interest of listed entity at large.

In compliance with Indian Accounting Standards (IND-AS) – 24, transactions with related parties are disclosed in the Notes to Financial Statements and details of all material transaction(s), with related parties are also disclosed in the Compliance Report on Corporate Governance filed with the Stock Exchanges on quarterly basis.

The Policy on 'Materiality of and Dealing with Related Party Transactions' is uploaded on the website of the Company www.wockhardt.com/wp-content/uploads/2022/08/prt-31122.pdf

The details about Material Related Party Transactions have also been provided as **Annexure V** to the Board's Report forming part of this Annual Report.

b. Compliance

Your Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authority on all matters relating to capital markets during the last 3 (Three) Financial years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority relating to the above, during the previous Financial year.

c. Whistle Blower Policy/Vigil Mechanism

In line with Regulation 22 of the SEBI Listing Regulations and Section 177 of the Act, Whistle Blower Policy/ Vigil Mechanism has been formulated for Directors and the Employees (including their representative bodies) and other Stakeholders to communicate and report genuine concerns about unethical behavior or practices, actual or suspected fraud or violation of Company's Code of Conduct etc. The said Policy provides adequate safeguard against victimization of a whistle blower and it also provides direct access to Chairperson of the Audit Committee in exceptional cases. Accordingly, it is affirmed that no person has been denied access to Chairperson of the Audit Committee.

The Whistle Blower Policy has been placed on website of the Company https://www.wockhardt.com/wp-content/uploads/2020/05/whistle-blower-policy-04-03-20.pdf

d. Compliance with mandatory and non-mandatory requirements

Your Company is compliant with all the mandatory requirements of the Code on Corporate Governance as specified in Regulations 17 to 27 read with Schedule V and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Your Company has also adopted the following non-mandatory requirements under Regulation 27(1) of the SEBI Listing Regulations read with Part E of Schedule II thereto:

- Shareholder Rights – Chairman's Letter which includes details of financial performance and summary of significant events is sent to each shareholder through electronic mode on quarterly basis. The said letter is also available on the website of the Company https://www.wockhardt.com/investors/from-chairmans-office/letter-to-shareowners/
- Modified Opinion in Audit Report – The Statutory Auditors of the Company have not raised any qualifications/ modified opinion on the financial statements of the financial year 2022-23 thereby maintaining the regime of unqualified / unmodified financial statements.
- Reporting of Internal Auditors – Internal Auditors are invited at the meetings of the Audit Committee wherein they report directly to the Committee.

e. Material Subsidiaries

The Policy for determining material subsidiaries is uploaded on the website of the Company https://www.wockhardt.com/wp-content/uploads/2022/08/pms-31122.pdf. During the year under review, in compliance with Regulation 24 of the SEBI Listing Regulations, Dr. Sanjaya Baru, Independent Director of the Company was appointed on the Supervisory Board of Wockhardt UK Limited.

The details of material subsidiaries of the Company in terms of the Company's Policy for determining material subsidiaries and SEBI Listing Regulations, as on March 31, 2023, were as follows:

Name of Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
Wockhardt Bio AG	17/10/2005	Switzerland	Balmer-Etienne AG	24/10/2022
CP Pharmaceuticals Limited	13/05/1985	England & Wales	Menzies LLP	18/01/2023
Wockhardt UK Limited	02/06/2006	England & Wales	Menzies LLP	18/01/2023
Wockhardt USA LLC	26/02/2004	United States of America	B S R & Co. LLP	11/02/2020
Morton Grove Pharmaceuticals Inc	23/10/1995	United States of America	B S R & Co. LLP	11/02/2020
Wockpharma Ireland Limited	18/06/2004	Ireland	BDO Limited	07/07/2022
Pinewood Laboratories Limited	26/08/1976	Ireland	BDO Limited	07/07/2022

f. Disclosure of Accounting Treatment

The Company has prepared the financial statements for the year in compliance with the Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs. The Significant Accounting Policies which are consistently applied in preparation of the financial statements as per Ind AS have been set out in the Notes to Financial Statements.

g. CEO/CFO Certification

In terms of requirements of Regulation 17(8) of the SEBI Listing Regulations read with Part B of Schedule II thereunder, Dr. Murtaza Khorakiwala, Managing Director and Mr. Deepak Madnani, Chief Financial Officer have furnished certificate to the Board in the prescribed format for the year ended March 31, 2023. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on May 26, 2023.

h. Commodity Risk Management

The Company did not have any material commodity price risk and hence, did not need to carry out hedging activities during the year under review. Therefore, no disclosures on commodity price risk and hedging activities as mandated by SEBI vide its Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 forms part of this Report. Further, the details of currency risk/ foreign exchange risk is stated in Note no. 42(iii)(a) of Notes forming part of Standalone Financial Statements of this Annual Report.

The other details about Risk Management have also been provided in the Board's Report forming part of this Annual Report.

i. Details of Utilisation of Funds

During the year ended on March 31, 2023, except for 28,170 Equity Shares issued under ESOP, no funds were raised through Preferential Allotment or Qualified Institutions Placement.

During the previous financial year in 2021-22, the Company had raised ₹ 748 crores through issue of 3,32,44,650 fully paid-up Equity Shares of ₹ 5 each, through Rights Issue. The entire amount raised by the Company was utilized by the Company as per the objects of the Issue during the year under review.

Accordingly, the Company had submitted the report issued by CARE Ratings Limited on utilisation of funds by the Company for the quarter ended June 30, 2022 along with the confirmation of management on the fund utilisation and declaration that there was no deviation in the utilisation of funds raised by the Company from those stated in the Objects of the Issue.

j. Certificate from Company Secretary in Practice on Non-Disqualification of Directors of the Company

A Certificate issued by Mr. Virendra G. Bhatt, Practicing Company Secretary, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority.

k. Instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year and reasons for the same

During the year under review, there were no instances where the Board had not accepted any recommendation suggested by any of the Board Committees.

l. **Prohibition of Insider Trading**

The Company has in place a 'Code of Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons' (hereinafter referred to as 'Code') which was amended and approved in the Board meeting held on February 13, 2023. This Code is made applicable to cover Promoters, Directors, Functional Heads and such other Designated Employees of the Company ('Designated Persons') who are expected to have access to Unpublished Price Sensitive Information related to the Company. The trading window is closed from the end of each quarter till 48 hours after the conclusion of the Board Meeting for consideration of quarterly results and during occurrence of any material events as per the Code. The Designated Persons are also restricted from entering the opposite transaction i.e. buy or sell any number of shares within the next 6 (Six) months following the prior transaction ('Contra Trade'). Pursuant to Clause 10 of the Code, every Designated Person is required to disclose to the Company on an annual basis, the details of securities of the Company held by him and his immediate relatives as on March 31 of every year in the format that is available on the intranet of the Company. The Company also circulates the Do's and Dont's required to be observed under the Code/ SEBI Regulations by the Designated Persons periodically for reference.

The Company has also implemented the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2020 applicable with effect from July 17, 2020 and Securities and Exchange Board of India (Prohibition of Insider Trading) (Second Amendment) Regulations, 2020 applicable with effect from October 29, 2020 along with adoption of all the requisite policies.

During the period under review, 4 (four) instances of violations of the Code was observed and accordingly, the Company after investigation levied appropriate penalties on the concerned Designated Persons which were subsequently deposited with the designated SEBI IPEF Account.

m. **Compliance with Corporate Governance Report**

The Company has complied with all the applicable provisions of Para (1) to (10) of Para C of Schedule VI to the SEBI Listing Regulations in relation to Corporate Governance requirements.

n. **Total Fees for all services paid to the Statutory Auditors**

The total fees for all the services paid by the Company and its Subsidiaries, on a Consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which Statutory Auditors is a part is as follows:

(₹ in crore)

Particulars	**For the year ended March 31, 2023**
Statutory Audit Fees	1.38
Tax Audit Fees	0.24
Fees for other Services	0.25
Out-of-pocket expenses	0.13
Total Auditor's Remuneration	**2.00**

o. **Disclosures in Relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

There were no complaints received by the Internal Committee set up by the Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the previous year.

p. **Loan to Directors**

During the previous year, neither the Company nor any of its Subsidiaries have given any loan or advances in the nature of loan to any Director or any Firm/ Companies in which such Directors are interested.

q. **Non Compliance**

There is no non-compliance of any of the requirements of the Corporate Governance report as required under the SEBI listing Regulations.

r. **Code of Conduct**

Your Company has laid down a 'Code of Business Conduct and Ethics' for the Directors and the Senior Management. The Code includes the terms of reference, role and duties of Independent Directors as laid down in Schedule IV of the Act. The said Code is available on the website of the Company https://www.wockhardt.com/wp-content/uploads/2023/07/code-of-business-conduct-and-ethics.pdf.

All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2023. A declaration to this effect signed by Dr. Murtaza Khorakiwala, Managing Director annexed to this Report.

5. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

During the year ended March 31, 2023:

(a) Aggregate 52 number of shareholders (total no. of certificates is 55) having aggregate of 10,200 outstanding shares were lying in the Demat Suspense Account at the beginning of the year;

(b) During the year, 3 Shareholders approached the Company for transfer of 500 shares from Suspense Account of the Company;

(c) During the year, 3 Shareholders, 500 shares were transferred from Unclaimed Suspense Account;

(d) Aggregate 49 number of Shareholders (total no. of certificates is 52) having aggregate of 9700 outstanding shares were lying in the Suspense Account at the end of the year;

(e) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

For and on behalf of Board of Directors

Habil Khorakiwala
Chairman
DIN: 00045608

Place: Mumbai
Date: May 26, 2023

AFFIRMATION OF COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

Pursuant to the requirements of Regulation 34(3) and Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has received affirmations on compliance with "Code of Business Conduct and Ethics" of the Company for the financial year ended March 31, 2023 from all the Board Members and the Senior Management Personnel.

For **WOCKHARDT LIMITED**

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Place: Mumbai
Date: May 26, 2023

CERTIFICATE OF CORPORATE GOVERNANCE

To,

The Members of **Wockhardt Limited**

I have examined the compliance of Corporate Governance by Wockhardt Limited ('the Company') for the year ended 31st March, 2023, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations for the year ended 31st March, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I certify that the Company has, prima facie, complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

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

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157/COP No.: 124
Peer Review Cert. No.: 1439/ 2021

Place: Mumbai
Date : May 26, 2023

UDIN: A001157E000383990

Note:

I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Certificate.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of
Wockhardt Limited
Wockhardt Research Centre,
D-4, M.I.D.C. Chikalthana, Aurangabad – 431006.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Wockhardt Limited having CIN: L24230MH1999PLC120720 and having registered office at Wockhardt Research Centre, D-4, M.I.D.C. Chikalthana, Aurangabad – 431006, Maharashtra, India (hereinafter referred to as “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2023 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs:

Sr. No.	Name of the Director	DIN	Date of Appointment
1.	Aman Mehta	00009364	12/02/2004
2.	Habil Fakhruddin Khorakiwala	00045608	08/07/1999
3.	Davinder Singh Brar	00068502	06/08/2012
4.	Murtaza Habil Khorakiwala	00102650	29/06/2009
5.	Zahabiya Habil Khorakiwala	00102689	30/10/2017
6.	Akhilesh Krishna Gupta	00359325	29/08/2020
7.	Vinesh Kumar Jairath	00391684	10/11/2016
8.	Huzaifa Habil Khorakiwala	02191870	29/06/2009
9.	Tasneem Vikram Singh Mehta	05009664	30/09/2014
10.	Sanjaya Baru	05344208	06/08/2012

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

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.:1439/ 2021
UDIN: A001157E0000308497

Date : May 15, 2023
Place: Mumbai

NOTES

Bankers (Indian Operations)

- State Bank of India
- Bank of Baroda
- ICICI Bank Limited
- IDBI Bank Limited
- Punjab National Bank

Auditors

- B S R & Co. LLP

Solicitors

- Cyril Amarchand Mangaldas
- Khaitan & Co., LLP
- Cleary Gottlieb Steen & Hamilton LLP
- King and Spalding
- Kelley Drye & Warren LLP

Registered Office

D-4 MIDC
Chikalthana
Aurangabad-431006 India
CIN: L24230MH1999PLC120720
Phone: 91-240-6694444
Fax: 91-240-2489219
Website: www.wockhardt.com

India Business: Brand Achievements

EMROK & EMROK O

- 47,000+ patients treated with EMROK and EMROK O
- Studies completed on Bone and Joint Infections, Febrile Neutropenia, Community Acquired Bacterial Pneumonia
- Consensus guidelines framed with key opinion leaders of critical care medicine specialists

Abbreviated prescribing information of EMROK® & EMROK®O

EMROK® (Levonadifloxacin Injection 800 mg/100 ml for intravenous infusion) and **EMROK®O** (Levonadifloxacin tablets 500 mg). **THERAPEUTIC INDICATION:** For adults (≥18 years of age) for the treatment of Acute Bacterial Skin and Skin Structure Infections (ABSSSI) including diabetic foot infections and concurrent bacteraemia caused by susceptible isolates. **POSOLOGY AND METHOD OF ADMINISTRATION:** Administer 800 mg of EMROK every 12 hours by intravenous infusion over a period of 90 minutes for 7-14 days or following appropriate duration of intravenous therapy, based on physician discretion, switch over to oral EMROK O 1000 mg (two tablets of 500 mg each) every 12 hours. EMROK O tablets to be swallowed sequentially with sufficient amount of water and may be taken independent of food. **SPECIAL POPULATIONS:** Hepatic impairment - No dosage adjustment is required in patients with hepatic impairment. Renal impairment - Pharmacokinetic studies with levonadifloxacin in renal impaired patients have not been conducted. Pregnancy - Category C. Pediatric use - In patients under 18 years of age is not recommended. Geriatric patients - Caution should be used when prescribing EMROK/EMROK O to elderly patients especially those on corticosteroids. **CONTRAINDICATIONS:** In individuals with a known hypersensitivity to Levonadifloxacin or other quinolone antibacterial, or to any of the excipients, in patients with a history of tendon disorders, in children or growing adolescents (<18 years of age) and during pregnancy and lactation. **SPECIAL WARNING AND PRECAUTIONS FOR USE:** Fluoroquinolones have been associated with an increased risk of tendinitis, tendon rupture, peripheral neuropathy, central nervous system reactions and may exacerbate muscle weakness in persons with myasthenia gravis. In the Phase III clinical study there was no occurrence of these events reported. If these reactions occur in patients receiving **EMROK/EMROK O**, discontinue immediately and institute appropriate measures. **UNDESIRABLE EFFECT:** In the Phase III study, most adverse events were reported as mild. Adverse events reported were constipation, vomiting, nausea, pyrexia, chills, asthenia, blood glucose increase, and cough (Based on prescribing information, dated May 2020). Additional information is available on request.

PATENTED

® Regd. Trademark of Wockhardt

Marketing Authorisation Holder: Wockhardt Limited, Wockhardt Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400051

India Business: Brand Achievements

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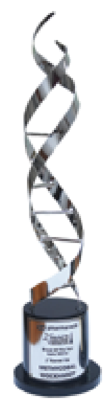
HAPPINESS DELIVERED

Best New Introduction of the Year
(For Corporates <₹ 500 Crore)

1st Prize awarded in November 2022 by AWACS Pharmarack

Methycobal™ Tab Inj
Mecobalamin 500 mcg



Best Brand of the Year
(For Corporates <₹ 500 Crore)

1st Runner-Up Prize awarded in November 2022 by AWACS Pharmarack

AWACS Pharmarack

AWACS Pharmarack is an ecosystem partner for Pharmaceutical and Consumer Health companies, Distributors, Retailers and Hospitals. It is India's largest integrated B2B Healthcare platform combining Technology, Analytics, Logistics, Supply Chain and Financing.